REGISTRATION DOCUMENT

including the 2013-2014 financial report

Groupe
Pierre & Vacances
CenterParcs

BUSINESS REPORT

AMF — Autorité des Marchés Financiers

This Registration document was filed with the Autorité des Marchés Financiers* on 20 January 2015 in accordance with Article 212-13 of its general regulations. It may be used in connection with a financial transaction if accompanied by a prospectus approved by the Autorité des Marchés Financiers*. This document was made out by the issuer and commits the responsibility of the signatory.
* French market regulator.

Business Report

2013-2014 HIGHLIGHTS

Groupe
Pierre & Vacances
Center Parcs

" FOCUS ON INTERNATIONAL AND PROFITABLE GROWTH "

GÉRARD BRÉMOND,
Chairman-Chief Executive Officer

The Group ended the year on a very positive note. We now need to boost growth in our profitability. We are strengthening our tourism offering, our property businesses and our international expansion.

The Pierre & Vacances-Center Parcs Group ended 2013-2014 on a very positive note. Firstly, revenue was up by almost 9% relative to the previous year, at €1.415 billion. Secondly, in a sluggish European economic backdrop, our operating profit increased significantly to €12.2 million. We now need to boost growth in our profitability.
As such, the Group has been reorganised, with a tighter and more operational governance, in order to step up the return to profit. We are establishing more direct and personalised relations with our clients and are strengthening our tourism offering, while continuing our development momentum. Villages Nature, a buoyant and innovative project for the future, is currently being built. The first stage of this new tourism destination undertaken as a joint venture with Euro Disney S.C.A. is to be delivered in summer 2016.
2014 also ended with a partnership agreement concerning China, marking a new step in the Group's international expansion. We had already duplicated our business model in Europe, especially in Germany and the Netherlands, as well as Morocco. Thanks to the agreement signed with Chinese property developer Beijing Capital Land, we are set to develop property and tourism concepts inspired by Center Parcs in China, while respecting local specifics and identities.
In 2015, we will pursue the development of our property businesses and our international expansion. In a view of low growth in the french economy, we need to roll out our businesses in emerging markets and more dynamic European countries. By extending our geographical presence, we should be able to better spread out risk and thereby provide significant leverage to development and profitability.

A YEAR OF INNOVATION

FEBRUARY

PROVIDING FRESH MOMENTUM TO FRENCH TOURISM

Along with 18 tourism players, the Pierre & Vacances-Center Parcs Group has created Alliance 46.2 "the Undertaking for Tourism in France". Chaired by Gérard Brémond, the club aims to strengthen the appeal of France for tourism. Its five working groups have already produced a series of proposals which are the subject of intense dialogue with government authorities. A number of studies on major subjects are to be published in 2015.

JULY

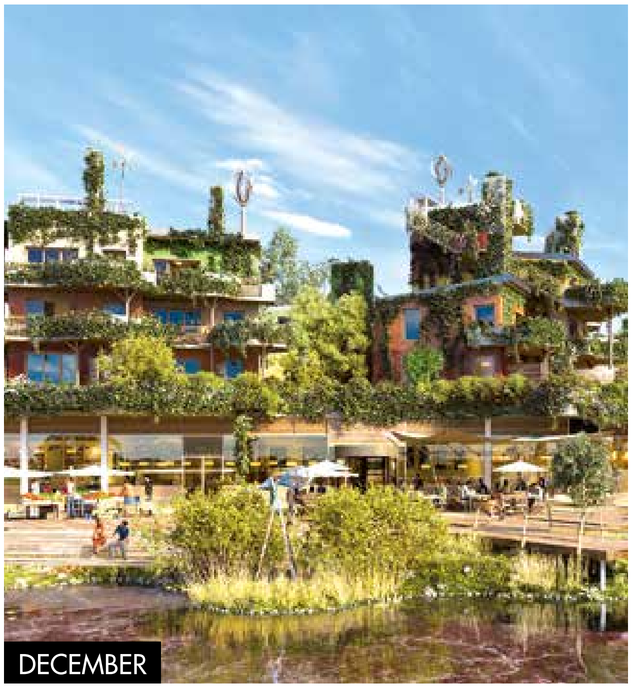
FOUNDATION STONE LAID AT DEAUVILLE

On 1 July 2014, Philippe Augier, the Mayor of Deauville and Gérard Brémond laid the foundation stone for the 5* Pierre & Vacances premium residence "Presqu'Île de la Touques" located on the Deauville peninsula.

SEPTEMBER

CENTER PARCS – VIENNE OPENED FOR RESERVATIONS AND STARTED RECRUITMENT

The Domaine du Bois aux Daims, the 5th Center Parcs in France is to welcome its first guests in June 2015 in the Vienne department and started taking reservations last September. Set in forestland of 260 hectares with the famous Aqua Mundo and 800 cottages, the Domaine offers visitors the chance to live a unique experience fully immersed in the animal world. The future Center Parcs is to employ 600 staff in the fields of hotel accommodation, catering, leisure, retail sales, cleaning and maintenance. As of September 2014, an extensive recruitment drive was launched in partnership with the Loudun employment agency, the General Council of Vienne and the Regional Council of Poitou-Charentes.



DECEMBER

VILLAGES NATURE: FROM PROJECT TO REALITY

At end-2014, Villages Nature took another step forward with the French Prime Minister, Manuel Valls, laying the foundation stone. Located 6km from Disneyland® Paris, in the Seine-et-Marne department, this original eco-tourism destination is due to open to a European public in 2016. In May, the Group and Euro Disney S.C.A. announced the signing of financing agreements for the initial stage of development for the project concerning 916 cottages and apartments and a set of recreational facilities, among which the Aqualagon, a vast water fun park of 11,500 m² with an outdoor lagoon.

DECEMBER

THE GROUP SET OUT TO CONQUER CHINA

In a letter of intent, signed on 4 December 2014, the Group and Chinese property developer Beijing Capital Land (BCL) announced their aim to join forces with a view to developing property and tourism concepts inspired by Center Parcs in China. Two sites, in the suburbs of Beijing and Shanghai, have already been identified as possibilities for materialising this Chinese-French partnership. The Group is to provide its concept, its unique know-how and its 50 years of experience, and BCL its expertise in terms of property and city development.

THE PIERRE & VACANCES-CENTER PARCS GROUP EUROPEAN LEADER IN LOCAL TOURISM

Since 1967, the Pierre & Vacances-Center Parcs Group - inventor of the tourism residence, creator of holiday experiences - has offered unique concepts and holiday stays in 300 seaside, mountain, countryside and city centre destinations.
With the talent of its 12,400 employees, the Group designs, markets and manages almost 48,000 apartments and homes combined with a multitude of activities, leisure facilities and services in natural sites in the most attractive locations in Europe.
In 2013-2014, the Group welcomed 7.5 million clients, charmed by a comprehensive and customised offering developed by recognised brands: Pierre & Vacances and its labels, Maeva, Center Parcs, Sunparks and Aparthotels Adagio®.

12,400 EMPLOYEES
OR 8,000 FTE
(FULL-TIME EQUIVALENT)

7.5 MILLION
EUROPEAN CLIENTS

PROPERTY DEVELOPMENT

The Group masters the entire chain of property development businesses from project design to the search for land, and including financing, construction, financial engineering and marketing to individual and institutional investors. This expertise enables it to imagine new and innovative holiday and leisure concepts.

PIERRE & VACANCES DEVELOPPEMENT

Les Senioriales Résidences Seniors

Groupe Pierre & Vacances CenterParcs | Property Investment

TOURISM

With a well reputed brand portfolio structured around Pierre & Vacances, Center Parcs and Aparthotels Adagio®, the Group has developed recognised know-how and strong concepts for tailor-made experiences: short or long stays, holidays in villages clubs or residences with *à-la-carte* activities and services, as well as city breaks and extended stays with hotel services.

PIERRE & VACANCES

THE EXPERIENCE OF HOLIDAYS IN ALL FREEDOM WITH THE LEADER IN TOURISM RESIDENCES

Holiday residences in France, Spain, Italy and Portugal, in the heart of the most attractive seaside, countryside and mountain resorts. Fully-equipped apartments and homes with services either included or *à-la-carte* for holidays combining comfort, freedom and nature.

127 sites

13,250 apartments and homes

65,000 beds

PIERRE & VACANCES *premium*

THE EXPERIENCE OF RELAXED AND REFINED HOLIDAYS

Upscale residences in France and the French West Indies. Spacious homes and apartments, a range of personalised and upscale services, a comprehensive offering focused on wellness and a top-of-the-range experience.

23 sites

2,700 apartments and homes

15,000 beds

PIERRE & VACANCES *villages clubs*

THE EXPERIENCE OF ANIMATED HOLIDAYS FOR SHARING SPECIAL MOMENTS

Three ranges of apartments and homes in the centre of pedestrian and landscaped villages, in France and the French West Indies. Water parks, restaurants and shops, kids clubs, with formula-based or *à-la-carte* fun and sporting activities for all the family.

14 sites

6,000 apartments and homes

31,300 beds

MAEVA

THE EXPERIENCE OF EASY AND LOW-BUDGET HOLIDAYS

Fully-equipped apartments in residences in seaside or mountain resorts with a wide range of *à-la-carte* services for convivial holidays for couples, families or friends, adapted to everyone's needs and budgets.

25 sites

1,800 apartments and homes

7,600 beds

CENTER PARCS

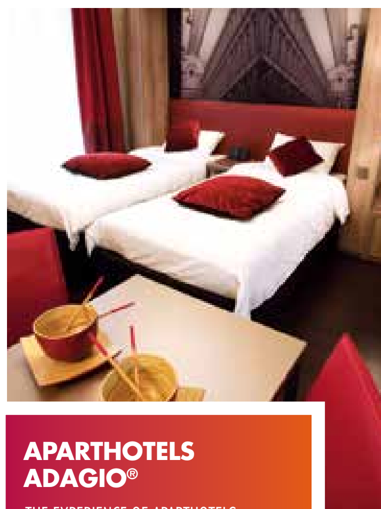
THE EXPERIENCE OF SHORT STAYS IN NATURE TO RECONNECT ALL YEAR ROUND

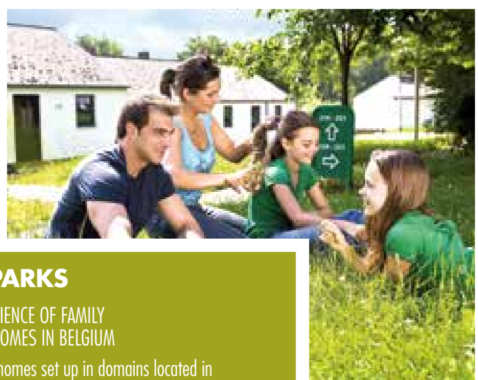
In huge preserved domains located near to major European cities, spacious and comfortable cottages are situated around a dome that houses shops, restaurants and services as well as the Aqua Mundo, for numerous leisure and relaxation activities.

19 sites

12,950 cottages

64,600 beds





300

SITES IN EUROPE

48,000

APARTMENTS AND HOMES OR 218,000 BEDS

SUNPARKS

THE EXPERIENCE OF FAMILY HOLIDAY HOMES IN BELGIUM

Villas and homes set up in domains located in the heart of the most attractive natural sites in Belgium with indoor and outdoor facilities to enjoy together, or discover the Belgian coast or countryside, throughout the year.

4 sites

1,750 cottages

9,500 beds

APARTHOTELS ADAGIO®

THE EXPERIENCE OF APARTHOTELS IN CITY CENTRES

Spacious, fully-equipped apartments with a kitchen and hotel services in the heart of major cities in Europe and throughout the world, for medium and long stays, business or leisure, in the aparthotels Adagio®, Adagio access and Adagio premium.

83 sites

9,300 apartments and villas

25,170 beds

KEY FIGURES

ON 30 SEPTEMBER 2014

GROWTH IN EARNINGS

"The year was defined by growth of 9% in the Group's revenue and a surge in current operating profit, which was multiplied by 4.5 relative to 2012-2013, to stand at €12.2 million.

This performance was generated by the property development businesses, which posted a 62% increase in revenue, and by the tourism activities, which resisted well and delivered revenue growth of 1% in a depressed French market.

The performance also stemmed from structural cost savings and rents under the framework of our lease renewal policy.

In addition, the Group reduced its net debt over the year, reorganised its financing with banking partners for €185 million and successfully undertook an ORNANE* bond issue for €115 million. This is a factor of solidity and flexibility, which restores visibility out to 2019".

PATRICIA DAMERVAL,
Deputy Chief Executive Officer, Head of Finance, Development, Audit, Asset Management

* Net share settled bond convertible into new and/or existing shares.

2014 REVENUE

€1,415.4m

\+ 9% *vs* 2012-2013

REVENUE BY BUSINESS

TOURISM

€1,141.1m

OR 81%

PROPERTY DEVELOPMENT

€274.4m

OR 19%

OPERATING PROFIT

€12.2m

x 4.5 *vs* 2012-2013

REFINANCING

SYNDICATED LOAN

€185m

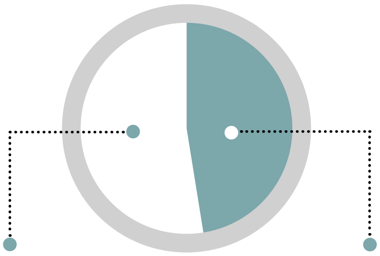
ORNANE

€115m

* Pierre & Vacances Tourisme Europe includes the Pierre & Vacances, Aparthotels Adagio® and Maeva brands.
** Center Parcs Europe includes the Center Parcs and Sunparks brands.
*** Tour Operators.

RENTAL REVENUE

€763m



PIERRE & VACANCES TOURISME EUROPE*
€405.9m

CENTER PARCS EUROPE**
€357.1m

BREAKDOWN OF RENTAL REVENUE BY DISTRIBUTION CHANNEL

DIRECT SALES

80%

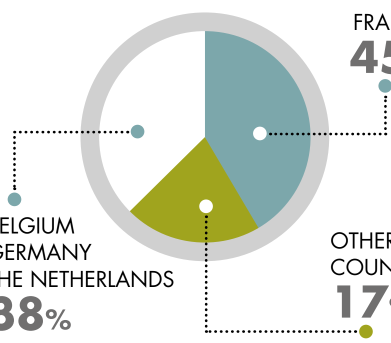
o/w 34% in online sales

INDIRECT SALES

20%

o/w 10% in online TO***

BREAKDOWN OF RENTAL REVENUE BY CUSTOMER ORIGIN



FRANCE
45%

BELGIUM
GERMANY
THE NETHERLANDS
38%

OTHER COUNTRIES
17%

GOVERNANCE

GENERAL MANAGEMENT COMMITTEE

The General Management Committee has four members. This Committee decides on the strategic directions necessary for the Group's development and its smooth operating performance. The Committee also aims to anticipate future changes in the Group's businesses, ways of adapting the strategy and steering the Group's internal synergies.

GÉRARD BRÉMOND,
Chairman-Chief Executive Officer

MARTINE BALOUKA-VALLETTE,
Chief Executive Officer Tourism

PATRICIA DAMERVAL,
Deputy Chief Executive Officer, Head of Finance, Development, Audit, Asset Management

THIERRY HELLIN,
Deputy Chief Executive Officer, Head of Development, Legal, Human Resources, Purchases, Sustainable Development, General Services

BOARD OF DIRECTORS

The Board of Directors of Pierre et Vacances SA has nine members, one of which is qualified as an independent member according to criteria set out in the Code AFEP-MEDEF.

GÉRARD BRÉMOND,
Chairman-CEO

MARTINE BALOUKA-VALLETTE

GB DÉVELOPPEMENT,
represented by **Patricia Damerval**

SA S.I.T.I., represented by **Thierry Hellin**

DELPHINE BRÉMOND

OLIVIER BRÉMOND

RALF CORSTEN

ANDRIES OLIJSLAGER

MARC R. PASTURE

FINANCIAL AGENDA

Financial information
Q1 - 22 January 2015
Q2 - 16 April 2015
Q3 - 16 July 2015
Q4 - 15 October 2015

Annual General Meeting
5 March 2015

H1 2014-2015 results
28 May 2015

Full-year 2014-2015 results
3 December 2015

THE SHARE
(On 30 September 2014)

LISTING
Euronext Paris, compartment B
Floated at €17.00
on 11 June 1999

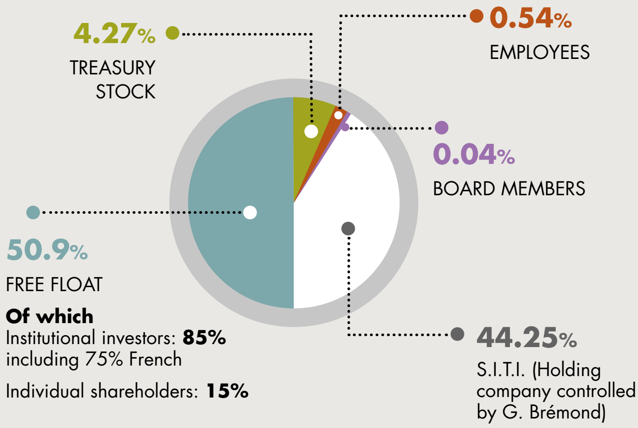
CODES
Euroclear: 7304
ISIN: FR0000073041
Reuters: PVAC.PA
Bloomberg: VAC.FP

MARKET CAPITALISATION
€214 million

NUMBER OF SHARES IN CIRCULATION
8,821,551

NUMBER OF VOTING RIGHTS
12,859,387

BREAKDOWN OF CAPITAL
(On 30 September 2014)



INNOVATING

Leader and pioneer,
the Pierre & Vacances-Center Parcs Group innovates in its businesses and reinvents its activities with a long-term vision.
The Group strengthens its tourism offering and its operating organisation by improving its distribution channels and developing differentiated and personalised digital customer relations.

INTERVIEW

"We are entering a phase of operating acceleration."

In order to meet changes in consumer behaviour trends, the Pierre & Vacances-Center Parcs Group has radically overhauled its vision and strategy based on one conviction: experience is the fundamental value that consumers are looking for.

What is the Pierre & Vacances-Center Parcs Group's position today?

Martine Balouka-Vallette: as the no. 1 in tourism residences, we have solid fundamentals: our dense, European network is an essential asset, as are our privileged locations and our quality of service.
In keeping with our leadership status, we must innovate. 2014 was a key year in this respect.

What are the main challenges facing the Group?

M. B-V: two main transformations have inspired our current strategy.
The first is the digital revolution. Indeed, Internet has radically changed the way in which our clients consume. E-reputation now dominates the traditional tools we were used to working with: 53% of travellers confirm that they would not reserve a hotel without

(1) Source: "Custom Survey Research Engagement". PhoCusWright independent study for TripAdvisor. December 2013.

Experience is the new value. We have switched from a "go and see" approach to tourism to a "go and do and share" approach.

MARTINE BALOUKA-VALLETTE,
CEO TOURISM

having consulted an opinion published on the Internet[1]. The second concerns the search for meaning. In a hyper-connected, rapid and technological world, our clients need to reconnect with their loved ones via an authentic experience, whether in terms of destination, accommodation type or the activities offered.

How is this reflected in your business?

M. B-V: experience is the new value. We have switched from a "go and see" approach to tourism to a "go and do and share" approach. Travelling means leaving our daily routines and sharing experiences with our family and friends as well as with our community via social networks.

How is innovation at the heart of your strategy?

M. B-V: our strategy lies in strengthening the client experience and value.
We have restructured our customer journey by combining a digital strategy with a 360-degree vision. In concrete terms, our brands have totally reviewed their offerings in order to structure them according to client expectations with the aim of meeting their needs and offering them fair prices. Center Parcs has given each of its 24 Domains a specific theme and rounded out its panel of activities. Meanwhile, Pierre & Vacances, is developing a structured services offer favouring customised services and a range of experiences.

Our strategy lies in strengthening the client experience and value.

The Group has also strengthened its expertise in terms of e-commerce practices...

M. B-V: on Internet, we have reorganised the presentation of our offers in order to adapt the answer to the criteria selected. For example, the activities and services offered by Center Parcs will be available for online reservation, thereby increasing additional services and meeting our clients' request for flexibility and fluidity. In addition, we have developed contact strategies via social networks.

Is distribution also a major focus of your strategy?

M. B-V: our aim is to improve performance and optimise our distribution, while maintaining constant control of our costs. In direct sales, we are continuing our efforts to improve the call centre sales conversion rate and placing services and package activities online. For indirect sales, we are focusing our efforts on connectivity with our usual partners in order to automate and improve information sharing between our IT systems. Our aim is to reach 70% connectivity with our online distributors by the end of 2015. Finally, we are diversifying our distribution with the Maeva.com platform. This innovation is a significant source of growth in revenue.

85
ACTIVITIES AND SERVICES
offered by Center Parcs can be reserved online, thereby increasing additional services and meeting client requests for flexibility and fluidity.

TOURISM OFFERING
THE CUSTOMER JOURNEY REINVENTED

While respecting their DNA, the Group's three emblematic brands are contributing to the advent of the new experience economy. Each brand is extending its client experience with the aim of improving it and meeting the expectations of its markets.

PIERRE & VACANCES: THE POLICY OF CHOICE

In 2014, Pierre & Vacances carried out extensive work to adapt its offers. "We worked on two focuses: the first was to strengthen our offers in order to enable clients to build their experiences with the maximum amount of freedom: from flexibility of arrival dates, to choosing how to design their holiday either on the basis of enhanced "package offers" or with *à-la-carte* formulas" indicates Charles-Antoine Pinel, CEO Pierre & Vacances Tourism. "The second focus is to move the range of services upscale, especially by developing hotel services or by creating prestigious partnerships, such as that set up with French luxury caterer Fauchon."

> *"Pierre & Vacances is confirming its position based on a structured offer that favours experience and customised services."*
>
> CHARLES-ANTOINE PINEL,
> CEO PIERRE & VACANCES TOURISM

With 14 Villages Clubs, in France, Spain and the French West Indies, Pierre & Vacances has launched the Club Formula for summer 2015, including activities for the entire family. The label has strengthened its partnerships with local players in order to offer targeted experiences, associated with the surrounding region.
Pierre & Vacances has reaffirmed the advantages of its network in terms of reception, services guarantee and assistance, with the creation of a specific services approach with employees.
Finally, the Pierre & Vacances premium brand is continuing its expansion with new destinations in coastal and mountain resorts in France in 2014, in Spain, Italy and Portugal in 2015.

CENTER PARCS, REDISCOVERING THE VALUE OF A UNIQUE CONCEPT

"We need to highlight what is the essence of our value, what we offer our clients: an experience to reconnect, precious moments with loved ones, in a word, happiness" Mark Haak-Wegmann, CEO Center Parcs Europe tells us. As such, in 2015, a new brand platform focused on the client experience is to be based on the values of share, care, emotion and joy. In 2014, the brand already radically renewed its offering: "For each of our 24 Domains, we have targeted a priority client segment to whom we offer adapted activities and services" explains Vanessa Diriart, Deputy CEO Center Parcs Europe, announcing the roll-out of 85 theme-based activities and services in coming months.

> *The new Center Parcs platform focused on client experience, is to be rolled out on a new website, on TV and during digital activation campaigns during 2015.*

MARK HAAK-WEGMANN,
CEO CENTER PARCS EUROPE

APARTHOTELS ADAGIO® EVER MORE INTERNATIONAL

Aparthotels Adagio® is continuing to post robust growth. The no. 1 brand in aparthotels in Europe has finished positioning its budget range, Adagio access, on long stays.
In France, its network is set to include new aparthotels in 2015, bringing its offer to almost 90 addresses in the country. "In Europe, states Laurent Basnier, Deputy CEO of Aparthotels Adagio®, the brand could announce some excellent addresses. We are targeting visible and major cities. Projects are underway to expand franchises, for example in Frankfurt, Germany." After the opening of Rome-Balduina, and the signing of two 4* aparthotels in London in December 2014, the network is also extending to the Middle-East, Russia and Brazil, via master franchises with Accor. Adagio is targeting 130 aparthotels by 2016.

DISTRIBUTION
FOCUS ON DIGITAL

The Group-wide digital strategy has a structural impact on our distribution methods.

With almost 35% of sales generated via the Internet, the Group is strengthening the performance of its brand's websites. "The aim is to improve the user experience on our websites and to accelerate their adaption to mobile navigation", points out Laurent Curutchet, CEO Tourism Sales. The Group is also developing its ability to encourage online reservations and payments for additional services. As such, the Pierre & Vacances websites now offer package and/or *à-la-carte* formulas, with prices per person and an optimised conversion journey. New functionalities and the integration of client opinions on the websites are to be launched in the first quarter of 2015.

In terms of direct marketing, the aim is to digitalise client relations, with the roll-out of automated emailing programmes in a logic of increased client segmentation coherent with the new offers launched by the brands. Another pillar of this optimisation approach, the call-centre is being audited in order to improve its conversion rate. "Concerning indirect distribution, we are primarily focusing our efforts on connectivity with our partners", stated Laurent Curutchet. A development plan is underway. "We are planning to reach a target of 70% in connectivity by the end of 2015".

FOCUS

MAEVA.COM: A NEW BUSINESS, A SOURCE OF GROWTH FOR THE GROUP

Launched in 2014, the Maeva.com platform is set to expand massively in 2015.
The 4,000 references distributed cover the Maeva offer and diversified holidays (mobile homes, camping, other residences in France and abroad) offered by La Compagnie des Vacances (open-air accommodation). This distribution includes a large number of choices with real-time availability and advantageous payment terms and is to be rounded out with an ownership mandate offering at the end of leases.

The Group has also started negotiating contracts with tour operators.
With foreign clients accounting for 55% of 2014 sales, partnerships with players such as Booking.com and Thomas Cook have been strengthened. The aim is to increase the number of clients, primarily British, Belgian, Dutch, German and Spanish.

> *“The aim is to improve the user experience on our websites and to accelerate their adaption to mobile navigation.”*

LAURENT CURUTCHET,
CEO TOURISM SALES

DIGITAL RELATIONS

DEVELOPING PERSONALISED RELATIONS

A digital strategy that prompts, feeds and accompanies new relations.

In 2014, the Group focused on digital communication with its clients and rolled out a strategy that activates all traffic generation levers as far upstream as possible in relations with holidaymakers. “We communicate on the experience and not on the destination. The aim is to live this at all stages of the customer journey”, explains Antoine Lévêque, Brand Communications Director. This strategy is based on targeted client profiles in order to set up participating events that are then relayed on social networks in order to capture and circulate the contents. Management of the Group’s communities helped reach 500,000 fans on Facebook. Several digital activation campaigns are to be rolled out for the launch of Center Parcs Le Bois aux Daims and more generally, to accompany Center Parcs’ new theme-based activities and services.

FOCUS

PLANET PV: AN APP TO EXTEND THE CLIENT EXPERIENCE

Planet PV, the Group’s new free mobile application is to offer practical and specific information for guests in order to prepare, reserve and live their holiday in the Group’s destinations. The app also includes a loyalty programme with advantages for activities offered at the sites. As of June 2015, an additional functionality should help reserve and pay for activities via a real-time schedule.
Planet PV will offer personalised contents adapted to the expectations of holidaymakers in order to accompany them throughout their stay and prolong their experience.

DEVELOPING

Boasting an original and evolving business model, the Group has the assets necessary to seize new development opportunities in France and beyond European borders, with sizeable projects for its contributing brands.

JOINT INTERVIEW
ADAPTING OUR BUSINESS MODEL

Faced with a constantly changing property market, the Pierre & Vacances-Center Parcs Group is diversifying its financing methods.

PATRICIA DAMERVAL,
DEPUTY CHIEF EXECUTIVE OFFICER, HEAD OF FINANCE, DEVELOPMENT, AUDIT, ASSET MANAGEMENT

> *"To step up marketing of the sizeable programmes, in addition to sales to individuals, we approached institutional investors."*

The year was a busy one for the Group's development. How do you assess it?

Thierry Hellin: the first thing we learnt is that the Group proved its ability to adapt its business model to all markets. To start with in France, where we previously only sold our apartments to individual investors, but where we are now calling on institutional investors.
Patricia Damerval: our historical business model is based on the pre-marketing of half the apartments in new residences and villages before launching construction works. To step up marketing of sizeable programmes, in addition to sales to individuals, we approached institutional investors, who have significant liquidities and are looking to diversify their assets as they search for returns on investments.

Which sites are the best reflection of this diversified marketing?

Pa.D: this "bulk" marketing represents 80% of the cottages at the Center Parcs Le Bois aux Daims in the Vienne department, representing revenue of €181 million. We also signed a public-private partnership contract with local authorities to finance the infrastructure and collective facilities, especially with the General Council of the Vienne region and the Regional Council of Poitou-Charentes, who were particularly motivated by the impact in terms of direct and indirect job creation. Villages Nature, which represents an investment of €360 million, has also been undertaken with the backing of institutional investors. Out of the 916 apartments and homes, 783 were sold in bulk to property group

> **"** *The agreement we signed in December 2014 with Chinese property developer Beijing Capital Land is emblematic of our stance: adapting ourselves to the realities and specific features of the local environment.* **"**

THIERRY HELLIN,
DEPUTY CHIEF EXECUTIVE OFFICER, HEAD OF DEVELOPMENT, LEGAL, HUMAN RESOURCES, PURCHASES, SUSTAINABLE DEVELOPMENT, GENERAL SERVICES

Eurosic. These homes and apartments are destined to be sold on to individual investors, and 230 of them have already been marketed. In addition, recreational facilities were financed by Eurosic, the Caisse des Dépôts, CNP Assurances and the property investment fund, Delta Loisirs Évasion. This is clear proof of the confidence of these major partners in the Pierre & Vacances-Center Parcs Group.

You also innovated in the European market...

T.H: this was the second lesson we learnt from these changes. We now offer the unit sale of our accommodations to individual investors in the Center Parcs Domains being renovated such as Vielsalm in Belgium or Port Zeland in the Netherlands, or in new Domains such as Park Bostalsee in Germany.
Pa.D: we are also continuing our international expansion with the launch of a sizeable programme, the Center Parcs Domain in Allgäu in the Baden-Württemberg region in Germany, for which negotiations are underway with European institutional investors.

80%
OF COTTAGES
at the Domaine Center Parcs Le Bois aux Daims were sold in bulk to institutional investors.

Is this a lever for sustainable growth?

T.H: exporting our property model represents high potential revenue. For example, with an average of 700 apartments per Center Parcs to renovate or build, this represents a major challenge for the Group's potential profitability, while helping to strengthen our tourism portfolio.

What is the outlook for coming years?

T.H: the challenge is also to develop our tourism network based on project management contracts. I am thinking of our three Pierre & Vacances resort projects in Morocco, city residences with Aparthotels Adagio® in Brazil and the agreement we signed in December 2014 with Chinese property developer Beijing Capital Land. We provide our property experience and our tourism management ability. This latter agreement is emblematic of our stance: adapting ourselves to the realities and specific features of the local environment.

PROPERTY DEVELOPMENTS
PROJECTS OPEN TO THE WORLD

The Group is continuing its expansion with new projects in France and abroad.

MIDSIZE CENTER PARCS

THREE PROJECTS IN FRANCE

Under the framework of the strategy to increase its network throughout France, the Group is planning to open three new Midsize Center Parcs in Saône-et-Loire (Cluny in the Bourgogne region), Jura (Revermont in the Franche-Comté region) and in Lot-et-Garonne (in the Landes de Gascogne area). With 400 cottages, these Domains will house the Aqua Mundo and offer activities linked to the regional environment in terms of nature, heritage sites and culture. The opening of the Domains located in the east of France is planned for summer 2018 and that in Aquitaine in around 2019.

CHINA

A TOURISM PORTFOLIO IN CHINA

The Group and its Chinese partner, Beijing Capital Land, have laid the foundations of a first partnership to develop tourism concepts inspired by Center Parcs in China.
With its 1.3 billion inhabitants, the Chinese market is showing rising demand from the new middle classes for leisure activities that are accessible from the major city centres. Two first sites near Beijing and Shanghai, at around an hour's drive from each city, are currently being studied with a view to welcoming the tourist complexes. The aim is to offer these new Chinese clients an integrated holiday resort with a typical architecture, as well as services and activities adapted to the Chinese culture.

MOROCCO

AN ORIGINAL PROJECT IN MOROCCO

In partnership with the Groupe Caisse de Dépôt et de Gestion du Maroc, the Group is developing a tourism and property concept close to Marrakech, in Morocco. Integrated into the Domaine de Noria, a huge property and tourism resort spanning 250 hectares, the Oasis of Noria lies within a landscaped area of 50 hectares, facing the Atlas mountains and containing the Domaniales property programme and two hotel residences. Designed to meet strong demand for an authentic and natural setting, the Domaine de Noria cultivates the Moroccan way of living and offers a unique leisure and activity resort for families with very few urban buildings and a majority of natural surroundings.

PROPERTY MARKETING

PVPI LAUNCHES ITS NEW WEBSITE

Pierre & Vacances Property Investment (PVPI), which markets the Group's property development programmes to individual investors, has created a new website aimed at providing Internet users a new and reassuring experience, reflecting the importance of their investment decision. The site offers enhanced contents and new functionalities such as the Question-Answer page and the possibility of sharing on social networks.
In view of the Group's international dimension, this new website is accessible via computer, smartphone and tablet, and is available in French, English and Italian.

BELGIUM, THE NETHERLANDS, GERMANY

CENTER PARCS PURSUING ITS RENOVATION

After France, Center Parcs has launched renovation works for a number of Domains in Germany, Belgium and the Netherlands. Inspired by the Group's original business model, the cottages are sold to individual investors in order to enable financing of their renovation. The first concerned are Port Zelande and Park Zandvoort in the Netherlands, Park Hochsauerland in Germany and Vielsalm in Belgium, which together represent almost 2,500 cottages. Other programmes to market renovated cottages are planned, such as that for Park Nordseeküste in Germany by summer 2015. Negotiations are underway to apply this strategy to other European Domains.

SHARING

With a view to creating shared value, the Group aims to reduce its environmental footprint, to be a long-term economic partner for local development as well as a responsible employer.

SUSTAINABLE DEVELOPMENT APPROACH ENVIRONMENTAL AND SOCIETAL RESPONSIBILITY

Our aim: to firmly root nature and the local environment at the heart of the client experience.

The Group's environmental and societal commitments are based on four priorities: strengthening the operating base of actions aimed at reducing the ecological footprint of the Group's activities, continuing the eco-labelling of our sites, developing tourism projects focused on the interaction between our clients and nature, and ensuring that our activities are increasingly rooted in the local environment.

STRENGTHENING OUR ENVIRONMENTAL MANAGEMENT, VALUING OUR PERFORMANCES

During 2013-2014, the steering of the sites' water and energy consumption was strengthened. "We are now capable of separately assessing the water and energy consumption for which we are responsible and charges for owners with no management mandate with the Group" explains Marie Balmain, Sustainable Development Director.

In addition, pursuing the policy started in terms of site labelling remains a priority. The environmental labels and certifications delivered by independent third parties testify to the actions undertaken by the sites in order to limit their environmental impact.

These certifications make our approach more credible with clients and provide leverage to mobilise the teams. "Our clients are increasingly sensitive to our sustainable development actions, which are seen as a sign of quality. This is also an increasingly visible criteria in satisfaction questionnaires" notes Marie Balmain. The share of labelled sites has increased at every brand. So far, 19 Center Parcs Domains

In compliance with decree no. 2012 - 557 of 24 April 2012, detailed information on the Group's CSR approach is set out in the section "Information on social, environmental and societal questions" in the business report.

[1] *Bâtiment Basse Consommation* Low Consumption Building

[2] Very High Energy Performance

[3] *Haute Qualité Environnementale* High Environmental Quality

are certified ISO14001 and 39 Pierre & Vacances and Maeva sites (including 100% of the Villages Clubs in France and 100% of the countryside residences), while the four French Center Parcs have obtained the Green Key label. In addition, 93% of accommodation delivered during the year was certified or in the process of being certified BBC[1], VHEP[2] or HQE[3]. Finally, 17 Adagio aparthotels (or almost 60%), have the European Ecolabel – Tourist Accommodation Services certificate.

HOLIDAY OFFERING FOCUSED ON INTERACTION WITH NATURE

The Group's sustainable development strategy also concerns the sales offering. "New projects should not only be exemplary in terms of performances, but should also convey a meaning and a positive view of ecology, in association with nature and valuing the local regions" affirms Thierry Hellin, Deputy CEO.
In this respect, during 2013, Villages Nature signed a partnership with Bioregional, making it one of the members of the international network of One Planet Communities. This partnership is the guarantee of the smooth implementation of commitments to reduce a project's ecological footprint at each phase of its lifecycle. Villages Nature is one of the first private projects certified by the United Nations Environmental Programme under the framework of the Global Partnership for Sustainable Tourism. Furthermore, the new Center Parcs Le Bois aux Daims, in the Vienne department, focused on interaction with animals, is to offer guests the possibility of discovering and observing animals from European forests. The relations created with the wildlife provide an opportunity for families to share privileged experiences and see the wildlife in a new and more respectful light.

FOCUS

EXTRA-FINANCIAL REPORTING

The efforts made to strengthen the Group's extra-financial reporting are paying off. For the fifth year in a row, the Group was among the 70 intermediate-sized companies listed in the Gaïa index for their extra-financial performances and increased its rating by four points. It has also become eligible for the Ethibel EXCELLENCE investment register, with its CSR performance considered better than the sector average (C rating).

MAKING CLIENTS AWARE OF THE ISSUES FACING THE PLANET

For several years, the Pierre & Vacances-Center Parcs Group has committed itself to making its clients, and especially children, aware of sustainable development challenges. In 2013-2014, in the Pierre & Vacances Villages Clubs and the Maeva Residences Clubs, Eco'lidays events incarnated by the Happyz mascot, were offered in the kids clubs while activities were destined for fami-

ALMOST
20,000
CHILDREN
hosted in the Group's sites in 2013-14 were made aware of sustainable development issues.

lies (shows, interactive quiz, nature walks, etc.). At Center Parcs, children aged 4-12 are made aware of nature protection by taking part in the "Wanna be..." activities offered in all the Domains in France, Belgium, the Netherlands and Germany in the form of "Wanna be a forest keeper, a farmer, a gardener…"
In partnership with the French representative of Birdlife International, LPO (*Ligue pour la Protection des Oiseaux*), Center Parcs Les Trois Forêts launched a new activity "Exploring Nature" as a pilot project run by two nature guides and based on bird-watching and taking part in identifying all of the species on the site. This is a fun way for holidaymakers to discover the Domain's forestland.

FOCUS

KID'S CLIMATE CONFERENCE: THE CHALLENGES OF CLIMATE CHANGE

In September 2014, Center Parcs organised the third Kid's Climate Conference at the Dutch domain Het Heijderbos, in partnership with the Missing Chapter foundation, chaired by the Dutch Princess Laurentien van Oranje, Eneco and WWF The Netherlands. The aim is to make the younger generation aware of the issues of climate change via workshops and artistic activities.
As such, more than 100 children put forward solutions for preserving the environment. A book of proposals was given to the Dutch government delegation responsible for sustainable development. Two new conferences are planned for 2015 in France and in Germany.

PARTNERSHIPS FIRMLY ROOTED IN THE LOCAL ECONOMY

Taking part in local economic momentum is a major driver of the Group's sustainable development approach. With a view to firmly rooting the Group in the local economy and optimising the economic impact of its sites, the Group is developing a local partnerships policy right from the site construction phases. For the Center Parcs Le Bois aux Daims in the Vienne department, 71% of the building work contracts were attributed to companies from the local area or region. In addition, in order to meet the needs of holidaymakers looking for authenticity and keen to discover the local region, the sites are setting up partnerships with local tourism players. For example, the Pierre & Vacances Villages Clubs offer the possibility of meeting local artisans and discovering specialities from the region produced locally under the framework of a new partnership "*Rendez-vous chez nous*".
The "Center Parcs Excursions" programme enables guests to reserve day trips and visits with regional partners located near the domains: guided tours of the main local tourism sites, historical monuments, exhibitions, amusement parks, etc.

SOCIAL RESPONSIBILITY

A GROUP HR POLICY UNDERWAY

The aim for European coherence in the Group's Human Resources was reached at the end of the year.

The Group's Human Resources Department gained fresh momentum by integrating the Group's Executive Committee and by participating in the Management Committees of each brand. The creation of a pan-European HR function, bringing together 14 nationalities, accompanies the search for a transversal view of challenges and values.

PEOPLE AT THE HEART OF OUR PERFORMANCE

"During 2013-2014, our priorities focused on the management of staff performances, talent management, establishing an employment model and the development of a Group culture," explains Loïc Delboubé, Group Human Resources Director. The work undertaken especially helped define and roll out HR policies harmonised on a Group level, but taking into account the specific culture of each country and each brand. The aim is to provide reference bases that are common to several HR levers: the integration process for new recruits, assessment of staff performances with the creation of a new supporting document, talent management launched as a priority for digital profile recruitments in order to accompany the Group's digital transformation. The Human Resources Department also opened the Happy@work survey to all employees with the aim of measuring their well-being and commitment to work, and to create the most widespread HR coverage possible. "Our working focuses in 2015 are the major recruitment campaign for the Center Parcs in the Vienne department, adjusted management of our jobs under the framework of responsible flexibility and the ongoing roll-out of a Group training policy", states Loïc Delboubé. Placing people at the heart of our performance requires a genuine policy of coherence".

12,400

EMPLOYEES

or 8,000 FTE (full-time equivalent)

FOCUS

600 JOB CREATIONS IN THE VIENNE DEPARTMENT

The Center Parcs, Domaine du Bois aux Daims, due to open in summer 2015, is set to create 600 new jobs, 85% of which on undetermined duration contracts. To carry out this recruitment campaign, the Human Resources Department has set up a public-private partnership with the Loudun Employment Agency (Pôle Emploi), the General Council of Vienne, and the Regional Council of Poitou-Charentes. After the public meetings that helped meet almost 3,500 people, the recruitment campaign was launched in September 2014 and involved 5,000 candidates. Recruitments were made using the simulation method, which favours ability rather than qualifications. 80 internal candidates have already been interviewed.

This page has been left blank intentionally

1

THE PIERRE & VACANCES-CENTER PARCS **GROUP**

GROUP MANAGEMENT REPORT

almost **300** **SITES**
in seaside resorts, mountain resorts, in the countryside or in cities in France and throughout Europe

47,800
APARTMENTS

Established in 1967, the Pierre & Vacances-Center Parcs Group is Europe's leading local tourism provider. Its original business model is based on the complementary nature of its two business activities: property development and the operation of a holiday residence portfolio of almost 48,000 apartments and houses in France and Europe.

The Group develops innovative holiday and leisure concepts, which offer an evolving range of holiday experiences on exceptional sites, by the sea, in the mountains, in the countryside or in the heart of cities, with well-known brand names – Pierre & Vacances, Maeva, Center Parcs, Sunparks and Aparthotels Adagio®.

PRESENTATION OF THE GROUP'S ACTIVITIES AND RESULTS FOR THE 2013/2014 FINANCIAL YEAR

SIGNIFICANT EVENTS

Governance

On 20 October 2014, Gérard Brémond, the Group's Chairman, took over the functions of Chief Executive Officer, with the Win strategic plan entering its operational implementation phase.

To continue the growth of the tourism business, Martine Balouka-Vallette was appointed Chief Executive Officer for Tourism – Pierre & Vacances and Center Parcs, resulting in the departure of Françoise Gri, who was previously Group CEO.

Martine Balouka-Vallette, who joined the Group in 2002, successfully led the Tourism business segment of Pierre & Vacances and Maeva for seven years. She then initiated the Group's business activities in Morocco. Since 2012, she has been responsible for the executive management of Adagio which, under her management, has experienced strong growth, especially at an international level, and its performance has significantly improved.

Martine Balouka-Vallette is on the Group's Executive Management Committee and the Board of Directors of Pierre et Vacances SA.

Gérard Brémond will be supported by the Group's Executive Management Committee, which is made up of two Group Deputy Chief Executive Officers, Patricia Damerval and Thierry Hellin, along with Martine Balouka-Vallette.

Overall refinancing of the Group

In February 2014, the Pierre & Vacances-Center Parcs Group carried out the following:

- renewal and extension of the syndicated credit from its banking partners of €185 million maturing in 2019 (vs. €130 million maturing in 2015);
- issue of ORNANE bonds[1] for an amount of €115 million maturing on 1 October 2019, as well as the buy-back of 96.5% of the OCÉANE bonds[2] initially issued in February 2011 (i.e. €116.4 million).

The implementation of this new financing, which matures in 2019, extends the average maturity of the debt and improves the Group's financial flexibility.

Development of the tourism offering

Opening of new residences

City residences:

During the 2013/2014 financial year, three new Adagio access residences (Le Havre, Paris Clichy and Paris Reuilly) and one Adagio residence (Rome) opened their doors.

Pierre & Vacances residences in Spain:

During the 2013/2014 financial year, the tourism offering in Spain has been enhanced with the opening of six new residences, on the Costa Blanca, the Costa Del Sol, on the Balearic Islands and in Tarragona.

Strengthening of the Pierre & Vacances premium label

During the 2013/2014 financial year, the Pierre & Vacances premium label has strengthened its presence in France and the French West Indies with the opening of a new residence in Roquebrune Cap Martin and the reclassification of five Pierre & Vacances residences as Pierre & Vacances premium residences: Biarritz, Cannes-Mandelieu, Île de Ré, Douarnenez and Sainte-Anne en Guadeloupe (part of the village).

Development of the 5th Center Parcs in France, in the Vienne region

The 2013/2014 financial year saw:

- advancing building work;
- on 28 August 2014, the signature for the sale of a block of 117 cottages to Groupama Gan Vie for €35.0 million excluding tax;
- on 5 September 2014, the reservation of a block of 53 cottages by La Française (on behalf of the Erafp)[3] for €14.9 million excluding tax. The sale of this block was signed on 20 October 2014.

97% of this development programme is already reserved (including reservations by individual investors).

At this village, local wildlife is allowed to roam (almost) free.

This 5th French Center Parcs will open in June 2015.

Signature of financing agreements for the first tranche of Villages Nature

On 25 May 2014, the Group and Euro Disney S.C.A announced the signature of financing agreements for the first tranche of Phase 1 of Villages Nature, with the support of institutional investors and, each with a minority interest, the Pierre & Vacances-Center Parcs and Euro Disney S.C.A. groups. The signature of these agreements marks the start of building work on the first tranche, with opening to the general public scheduled for 2016.

Investments in recreational facilities for the first tranche (916 cottages and apartments) have been made by a grouping of institutional investors. The cottages and apartments are mostly sold in blocks to a landholding trust, to be sold on to individual investors. Over 230 cottages and apartments have already been sold to individual individuals, and a block of 30 has been sold to an institutional investor.

(1) Bonds redeemable in cash and/or new and/or existing shares.
(2) Bonds convertible into new and/or existing shares.
(3) Supplemental retirement fund for civil servants (*Établissement de retraite additionnelle de la Fonction publique*).

Center Parcs development projects in France

Project to develop a Center Parcs in the Isère region (France)

The appeals submitted by the association opposed to the project resulted in the permits being confirmed (forest clearing and building permit) by the French Council of State. In addition, during the 2013/2014 financial year, the government authorities confirmed the applications vis-a-vis the "water act" and "protected species". The prefect of Isère signed the decisions for these latest applications at the start of October 2014, enabling the initial work to start.

In November, opponents lodged appeals against these new permits with the administrative court of Grenoble, initially aiming to suspend the work (emergency proceedings) The forest clearance operations were able to start on 20 October 2014, but the work has been delayed as a result of these legal proceedings and the illegal occupation of the site. The opening to the general public, scheduled for 2017, may have to be delayed until 2018.

Development project for two midsize Center Parcs

On 28 March 2014, the Group announced a project to develop two new-concept Center Parcs with a complex of tourist accommodation with 400 cottages in the Jura and Saône-et-Loire. They represent a €170 million investment (before tax) for each area. The facilities will be funded by a French semi-public company (*société d'économie mixte* – SEM) with the majority of its capital held by the regions concerned. The cottages will be sold to private and institutional investors. The first agreements have been entered into with the French local authorities and the first environmental and planning surveys begun.

These two villages are scheduled to open in 2019.

Another project according to this new "model" is being studied in Lot-et-Garonne, and the departmental council has approved this opportunity by agreeing to establish a mixed-enterprise company to acquire the central facilities, enabling the research and initial studies to begin.

Withdrawal of residences after expiry of leases

During the 2014 financial year, the Group withdrew from four loss-making residences after their leases had expired, in the Mediterranean and the Alps, and four Adagio access residences/residential parks (in Divonne Les Bains, Lyon and Nantes).

GROUP REVENUE

Over the whole financial year (1 October 2013 to 30 September 2014), Group revenue was €1,415.4 million, an increase of almost 9% compared with 2012/2013.

(in € millions)	2013/2014	2012/2013 on a like-for-like basis(*)	Change on a like-for-like basis	2012/2013
Tourism business	**1,141.1**	**1,131.3**	**+0.9%**	**1,137.0**
of which rental revenue	*763.0*	*753.9*	*+1.2%*	*753.4*
Pierre & Vacances Tourisme Europe(1)	590.4	598.6	-1.4%	598.6
Center Parcs Europe(2)	550.7	532.6	+3.4%	538.4
Property development	**274.4**	**169.7**	**+61.7%**	**169.7**
TOTAL, FINANCIAL YEAR	**1,415.4**	**1,301.0**	**+8.8%**	**1,306.7**

(1) Pierre & Vacances Tourisme Europe includes the Pierre & Vacances, Aparthotels Adagio® and Maeva brands.
(2) Center Parcs Europe includes the Center Parcs and Sunparks brands.
(*) After reclassifications for consistency purposes.

Revenue from the tourism business was €1,141.1 million, a rise of almost 1% compared to the previous financial year; the Group once again proved the resilience of its tourism business and the attractiveness of its offering. The Group out-performed the tourism market in France, which saw a slump of 4% over the summer (in terms of visitor numbers).

Rental revenue rose by 1.2% (1.6% when corrected for offering effects), driven by growth in the number of overnight stays sold (2.3%); average net selling rates were down by 1.1%, caused by the rise in VAT in France since 1 January 2014.

Occupancy rates are up for both business segments (Pierre & Vacances Tourisme Europe and Center Parcs Europe), with average growth of 5.7% to 70%, compared with 67% in 2012/2013.

International customer numbers grew noticeably, accounting for 55% of Group rental revenue in 2013/2014, compared to 53% in 2012/2013.

- **Pierre & Vacances Tourisme Europe** made revenue of €590.4 million, including €405.9 million of rental revenue, almost stable compared with the previous financial year and having grown by 2.5% at constant scope. The growth in foreign customer numbers, accounting for 40.5% of the business segment's revenue compared with 38.5% in 2012/2013, compensated for the drop in French customers:

- city residences saw growth of 3.5%, and 2.4% excluding the offering effect (positive effect of the operation of new residences, partially offset by the withdrawal at the end of the lease from four residences in 2013/2014 and from five residences during the 2012/2013 financial year);
- the revenue from mountain resorts fell by 1.3% but grew by 5.6% restated for loss of stock as a result of the lease renewal policy and the withdrawal from some residences;
- the business is growing in Spain (5.1%) and the French West Indies (3.6%), but is slowing down on the French coast, hampered by a negative offering effect (withdrawal from a Mediterranean resort in 2013/2014, the sale of the Maeva village in the Camargue (France) in May 2013 and lease losses). At constant scope, the revenue from seaside resorts (France, Spain and the French West Indies) grew by 1.0%.

◆ **Center Parcs Europe** generated revenue of €550.7 million, including €357.1 million in rental revenue, up 2.9%.

The revenue increase comes from German (2.4% excl. Bostalsee) and Dutch (2.9%) villages, with French villages seeing a drop of 1.3% essentially linked to the decrease in net average selling rates (caused by the VAT rise in France).

The revenue from the property development business was €274.4 million, compared with €169.7 million in 2012/2013, growth of 61.7%

It benefited notably from the contribution of the Center Parcs in Vienne (€101 million) and Bostalsee (€20 million), Villages Nature (€15 million), the Deauville programme (€14 million) and the Senioriales programmes (€60 million).

The **property reservations** to date by individual investors are continuing (around one hundred lots per month) against the backdrop of a difficult property industry. They account for revenue of €234 million, brought to €291 million including reservations by institutional investors (block sales of Center Parcs cottages in the Vienne region).

TOURISM BUSINESS

Key indicators

(in € millions)	2013/2014	2012/2013 on a like-for-like basis	Change on a like-for-like basis	2012/2013
Revenue	**1,141.1**	**1,131.3**	**+0.9%**	**1,137.0**
rentals	763.0	753.9	+1.2%	753.4
services(1)	378.1	377.4	+0.2%	383.6
Average Net Selling rate (ASP)(2) *(in euros)*	**612**	**618**	**-1.1%**	**618**
No. of weeks sold	**1,246,813**	**1,218,722**	**+2.3%**	**1,218,722**
Occupancy rate	**70.3%**	**66.6%**	**+5.7%**	**66.6%**

(1) Catering, events, mini market, stores, marketing, etc.
(2) Average selling rate per week of accommodation net of distribution costs.

◆ The **number of weeks sold** rose by 2.3%, within a difficult European economic context, particularly in France, and despite the reduction in stock sold.

The **average occupancy rate is** over 70%, an increase of 5.7% compared with the previous financial year.

◆ The drop in **net average selling rate** (1.1%) was caused by the rise in VAT in France from 7% to 10% as of 1 January 2014. Restated for this effect, net average selling rates grew by 0.5%.

Breakdown of Group rental revenue by customer origin

	Pierre & Vacances Tourisme Europe		Center Parcs Europe		Total	
	2013/2014	2012/2013 on a like-for-like basis	2013/2014	2012/2013 on a like-for-like basis	2013/2014	2012/2013 on a like-for-like basis
France	59.5%	61.5%	28.4%	29.0%	44.9%	46.5%
Netherlands	7.8%	6.6%	27.0%	27.7%	16.8%	16.3%
Germany	2.8%	3.1%	25.6%	24.6%	13.5%	13.0%
Belgium	3.0%	3.2%	13.6%	13.7%	7.9%	8.0%
UK	5.1%	5.0%	2.0%	1.7%	3.6%	3.5%
Spain	2.8%	2.5%			1.5%	1.4%
Russia and Eastern European Countries	2.8%	2.9%			1.5%	1.6%
Italy	1.8%	1.7%			1.0%	0.9%
Scandinavia	1.3%	1.6%	0.3%	0.3%	0.8%	1.0%
Switzerland	1.1%	1.1%			0.6%	0.6%
Other	12.0%	10.8%	3.1%	3.0%	7.9%	7.2%

The portion of the rental revenue from foreign customers grew during the 2013/2014 financial year, accounting for 55.1% of sales, compared with 53.5% in 2012/2013, offsetting the fall in French customers, from 46.5% to 44.9% in 2013/2014.

Foreign customers mostly came from the Netherlands (16.8%), Germany (13.5%) and Belgium (7.9%), mainly due to the presence of Center Parcs Europe in the Netherlands (eight villages), Germany (five villages with the delivery of Bostalsee in summer 2013) and Belgium (six villages, including four Sunparks) but also the growing proportion of these customers in the Pierre & Vacances business segment in France.

Features of the holiday residence portfolio at 30 September 2014

Breakdown of tourism residence portfolio by brand/label

	Pierre & Vacances(1)	Maeva(2)	PV Premium(3)	Adagio	Pierre & Vacances Europe	Center Parcs	Sunparks	Center Parcs Europe	Total
Residences/Villages	141	25	23	83	272	19	4	23	295
Apartments/homes	19,276	1,845	2,690	9,297	33,108	12,945	1,748	14,693	47,801
Beds	96,373	7,605	14,896	25,169	144,043	64,608	9,493	74,101	218,144

(1) 20,126 apartments and 100,621 beds including the marketing business.
(2) 5,649 apartments and 26,627 beds including the marketing business.
(3) 2,707 apartments and 14,981 beds including the marketing business.

The holiday residence portfolio managed by the Group at 30 September 2014 fell by 1,449 apartments compared with 30 September 2013. This reduction is mainly due to:

- the withdrawal of residences after expiry of PV leases (664 apartments, including 415 apartments in Spain), Adagio access (488 apartments) and Maeva (320 apartments);
- losses of leases on the Pierre & Vacances (close to 1,000 apartments) and Maeva (125 apartments) brands;
- this partially offset the effect of the opening of six residences in Spain (637 new apartments), four new Adagio residences (443 new apartments) and the PV premium residence in Roquebrune (70 new apartments).

Also, during the financial year, 388 PV apartments were transferred to the premium label, and 272 Maeva apartments were transferred to the Pierre & Vacances brand.

Geographic breakdown of tourism residence portfolio (number of apartments/homes)

	Pierre & Vacances Europe	Center Parcs Europe	Total
Mainland France	28,575	3,439	32,014
French West Indies	851	-	851
Netherlands	-	5,370	5,370
Belgium	250	3,074	3,324
Germany	367	2,810	3,177
Switzerland	280	-	280
Italy	124	-	124
Spain	2,428	-	2,428
UK	126	-	126
Austria	107	-	107
TOTAL	**33,108**	**14,693**	**47,801**

At 30 September 2014, the Pierre & Vacances-Center Parcs Group was operating 69% of its sites in France, where it offers multiple destinations: Northern Alps, Pyrenees, Côte d'Azur, Atlantic Coast, Channel Coast, Provence, City residences, French West Indies.

In Europe, the Group also has a presence in the Netherlands (11.2% of the portfolio), Belgium (6.9%) and Germany (6.6%) via the Center Parcs and Sunparks villages, and in other European countries (Switzerland, England, Italy), via its Adagio residences.

Operation of tourism residence portfolio (number of apartments/homes)

	Pierre & Vacances Tourisme Europe	%	Center Parcs Europe	%	Total	%
Individual investors	28,679	86.7%	3,375	23.0%	32,054	67.0%
Leases	*28,153*		*3,375*		*31,528*	
Management agreement	*526*		*0*		*526*	
Institutional investors	4,244	12.8%	11,318	77.0%	15,562	32.6%
Leases	*3,148*		*11,318*		*14,466*	
Management agreement	*1,096*		*0*		*1,096*	
Group	185	0.5%	0	0.0%	185	0.4%
TOTAL	**33,108**	**100%**	**14,693**	**100%**	**47,801**	**100%**

The tourism portfolio is operated in two ways, either via lease or management agreements.

- **Under lease agreements,** the lessee (a Pierre & Vacances-Center Parcs Group company) agrees to pay a fixed or variable rent (depending on operating performances) with or without a guaranteed minimum. The variable rents formula, which was initially developed in Spain, has now been extended to the French portfolio, particularly when leases are being renewed, and is also being used in Germany (Bostalsee).

  Profits generated over and above the rental payment belong to the Group. Renovation work is payable either by the lessor/owner, or by the Group.

- **Under management agreements,** the agent (a Pierre & Vacances-Center Parcs Group company) acts as a service provider and bills for management and marketing fees. Operating income accrues to the owner (the customer). In certain cases, the Group guarantees the owner a minimum income, and surplus profits relative to this minimum amount are shared between the two parties. This management method will be developed in the coming years for some sites at the end of their leases.

A **franchise** has also been developed for the Adagio and Adagio access brands.

At the end of September 2014, 67% of apartments operated at Group level were owned by individual investors, 32.6% by institutional investors and the remaining 0.4% by the Group.

For Pierre & Vacances Tourisme Europe, for which most of the holiday residence portfolio is in France, 86.7% of the apartments belong to individual investors, 12.8% belong to institutional investors and only 0.5% are provisionally held as inventory by the Group (apartments in the Manilva residence in Spain).

77% of the Center Parcs Europe portfolio belongs to institutional investors. Cottages owned by individual investors are mainly located in French Center Parcs, namely:

- 966 cottages in Trois Forêts (Moselle);
- 799 cottages in Lac de l'Ailette (Aisne);
- 612 cottages in Hauts de Bruyères (Sologne);
- 376 cottages in Bois Francs (Normandy).

395 cottages were also held by individual investors in the new Bostalsee park in Germany.

Analysis of revenue by resort/country

Pierre & Vacances Tourisme Europe

Rental revenue was almost stable (-0.3%) compared with the previous financial year.

This change is due to:

- an increase in the number of nights sold (4.0%), in the context of an offer which fell by 7.4%;
- which offsets the reduction in the average net selling rate (0.6%), to €563 per week.

The occupancy rate was 69.1%, up by 7.6% compared with the previous financial year (64.3%), with a marked increase during the 4th quarter (to 80.6%).

Growth was driven by foreign customers (5.1%), which offset the decrease in French customers.

Internet sales grew by 0.8% with a growing proportion of online Tour Operators, which now account for 17.2% of sales, compared with 15.6% in 2012/2013.

Seaside resorts

Revenue from seaside resorts fell by 3.3%, reflecting a 2.2% decrease in the number of overnight stays, mainly a result of the loss of leases up for renewal, and a 1.2% drop in the net average selling rates caused by the VAT rise in France as of 1 January 2014.

At constant scope, revenue increased by 1.1%.

Mountain resorts

Revenue from mountain resorts fell by 1.3%, affected by a reduction in the number of apartments marketed (lease losses and withdrawals from loss-making residences).

At constant scope, revenue from mountain resorts rose by 5.6%.

Occupancy rates are growing strongly, reaching almost 78% over the whole financial year, compared with 72% in 2012/2013. Average net selling rates also rose by 1.4%.

City residences

Revenue increased by 3.5%, driven by a rise in the number of overnight stays sold (4.4%); net average selling rates fell by 0.9%.

The offering effect is positive (1.1%), with the opening of a new Adagio residence in Rome and three Adagio access residences (in Le Havre, Paris Clichy and Paris Reuilly) more than compensating for the loss of inventory as a result of the withdrawal of four Adagio access residences/residential parks (in Divonne Les Bains, Lyon and Nantes).

At constant scope, rental revenue was up by 2.4%.

French West Indies

Revenue from the French West Indies increased by 3.6%, driven by a rise in the net average selling rates (2.7%) and the number of overnight stays sold (0.9%);

Changes on a like-for-like basis

Number of apartments	2013/2014	2012/2013	Change
Seaside resorts	16,276	16,798	-522
Mountain resorts	6,684	7,585	-901
City residences	9,297	9,465	-168
French West Indies	851	851	0
TOTAL	**33,108**	**34,699**	**-1,591**

Rental revenue *(in € millions)*	2013/2014	2012/2013	Change
Seaside resorts	153.8	159.2	-3.3%
Mountain resorts	88.5	89.6	-1.3%
City residences	150.1	145.1	+3.5%
French West Indies	13.5	13.0	+3.6%
TOTAL	**405.9**	**406.9**	**-0.3%**

Average net selling price (for a week's rental) *(in euros before VAT)*	2013/2014	2012/2013	Change
Seaside resorts	530	536	-1.2%
Mountain resorts	741	731	+1.4%
City residences	517	522	-0.9%
French West Indies	655	638	+2.7%
TOTAL	**563**	**567**	**-0.6%**

	Number of weeks sold			Occupancy rate		
	2013/2014	2012/2013	Change	2013/2014	2012/2013	Change
Seaside resorts	290,297	296,738	-2.2%	62.3%	56.4%	+10.6%
Mountain resorts	119,372	122,688	-2.7%	77.7%	72.3%	+7.4%
City residences	290,463	278,137	+4.4%	75.5%	73.1%	+3.2%
French West Indies	20,589	20,413	+0.9%	62.0%	62.3%	-0.5%
TOTAL	**720,721**	**717,976**	**+0.4%**	**69.1%**	**64.3%**	**+7.6%**

Center Parcs Europe

Rental revenue grew by 2.9% on a like-for-like basis.

This change is due to:

- an increase in the number of nights sold (5.1%), in the context of an offer which grew by 2.7%;
- which partially offsets the reduction in the average net selling rate (2.0%), to €679 per week.

The occupancy rate was 72.2%, up by 2.3% compared with the previous financial year (70.6%), with a marked increase during the 4th quarter (to 82.5%).

The growth in revenue applies to German and Dutch villages; business in the French villages slowed down essentially due to the drop in net average selling rates (caused by the VAT rise in France).

Online sales rose by 2.8%, essentially in the form of direct sales (2.3%).

Netherlands

Rental revenue increased by 2.9%, to €123.6 million.

In a very competitive market, net average selling rates fell by 1.6% to €635 per week. However, the average occupancy rate rose by 5.1%, to 72.8%.

Growth was driven by Dutch and Belgian customers.

The proportion of direct sales was 88%, compared with 87% in 2012/2013. The proportion of internet sales is in line with the previous financial year, at 55%.

France

Rental revenue fell by 1.3%, essentially due to the 3.6% drop in average net selling rates (mainly caused by the VAT rise); the number of nights sold grew by 2.5%.

The average occupancy rate rose by 1.8% to 76%, with a particularly high rate in the 4th quarter of the financial year at 83%.

Direct sales make up the majority of the revenue, representing 96% of rental revenue, with 48% of sales online.

Belgium

Business in the Belgian villages has slowed by 2.1%, linked to a 2.5% fall in the average net selling rates, attributable to the Sunparks properties (-4.3%).

The average occupancy rate rose by 1.1% to 67.8% (74.8% for Center Parcs and 62.0% for Sunparks).

Direct sales accounted for 90%, comparable to the previous financial year.

Germany

Rental revenue rose by 18.7%, driven by the annualisation of business in the new Center Parcs in Bostalsee, which opened on 1 July 2013 (€11.7 million over the 2013/2014 financial year, compared with €3.6 million in 2012/2013).

Excluding the effect of structural changes, revenue from the German parks continued to grow (2.4%); all customers contributed to this growth.

Direct sales represented 87% of the destination's rental revenue, compared with 85% in the previous financial year, with an increase in internet sales. These now account for 54% of sales.

Changes on a like-for-like basis

Number of apartments	2013/2014	2012/2013	Change
Netherlands	5,370	5,383	-13
France	3,439	3,392	+47
Belgium	3,074	3,127	-53
Germany	2,810	2,649	+161
TOTAL	**14,693**	**14,551**	**+142**

Rental revenue *(in € millions)*	2013/2014	2012/2013	Change
Netherlands	123.6	120.1	+2.9%
France	114.4	115.8	-1.3%
Belgium	59.5	60.9	-2.1%
Germany	59.7	50.1	+18.8%
TOTAL	**357.1**	**346.9**	**+2.9%**

Average net selling price (for a week's rental) *(in euros before VAT)*	2013/2014	2012/2013	Change
Netherlands	635	646	-1.6%
France	878	911	-3.6%
Belgium	596	611	-2.4%
Germany	588	569	+3.2%
TOTAL	**679**	**693**	**-2.0%**

	Number of weeks sold			Occupancy rate		
	2013/2014	2012/2013	Change	2013/2014	2012/2013	Change
Netherlands	194,621	185,998	+4.6%	72.8%	69.2%	+5.1%
France	130,200	127,071	+2.5%	76.0%	74.7%	+1.8%
Belgium	100,116	99,736	+0.4%	67.8%	67.1%	+1.1%
Germany	101,155	87,941	+15.0%	71.2%	72.2%	-1.4%
TOTAL	**526,092**	**500,746**	**+5.1%**	**72.2%**	**70.6%**	**+2.3%**

PROPERTY DEVELOPMENT

Revenue grew strongly to €274.4 million in 2013/2014, compared with 169.7 million in 2012/2013. The main developments which contributed to this were the new Center Parcs in Vienne in France (€100.9 million) and Bostalsee in Germany (€20.4 million), the new Villages Nature programme (€15.3 million), the Pierre et Vacances programmes in Deauville (€14.0 million) and Flaine (€13.9 million) and the Les Senioriales programmes (€60.2 million).

Breakdown of 2013/2014 property development revenue by programme

(in € millions)

New	
CP Vienne	100.9
Bostalsee	20.4
Villages Nature	15.3
Deauville	14.0
Flaine	13.9
CP Moselle 3	10.3
Colmar	5.8
Nancy	4.0
Manilva	3.5
Other	2.4
TOTAL NEW	**190.5**

Renovation	
CP Hauts de Bruyères	2.2
Biarritz	0.8
TOTAL RENOVATION	**3.0**

New Les Senioriales	
Charleval	9.2
Izon	8.0
Marseille en Ville	6.1
Moins en Ville	6.1
Pringy	5.6
Bracieux	4.1
Cavillargues	3.1
Emerainville en Ville	2.7
La Celle	2.6
Other	12.7
TOTAL NEW LES SENIORIALES	**60.2**

Other Pierre & Vacances	20.7
GRAND TOTAL	**274.4**

Revenue from new programmes (including Les Senioriales) grew significantly to €250.7 million compared with €139.6 million in 2012/2013. This result was due in particular to:

- the new fifth French Center Parcs in the north of the Vienne region, where 971 units have been marketed. Delivery is scheduled for December 2014;
- the new Center Parcs in Bostalsee located in the Saar region of Germany, with 500 cottages delivered in July 2013;
- the Villages Nature programme (787 units sold), developed in partnership with Euro Disney, with delivery planned for July 2016;
- the extension of 59 units at the Moselle Center Parcs, delivered in December 2013;
- the programmes under construction in Flaine (119 units) and Deauville (133 units);
- Les Senioriales programmes with six programmes delivered over the financial year (395 units).

Renovation revenues (including "Other" revenues) accounted for 8.6% of property development revenue in the 2013/2014 financial year, compared with 17.7% in 2012/2013. This business activity consists of purchasing residences in prime locations, mainly from institutional investors, and then reselling them to individual investors after renovation.

The main contribution to renovation revenue for the financial year was the Center Parcs at Hauts de Bruyères en Sologne (350 units renovated in 2011/2012).

"Other" revenue totalled €20.7 million during the 2013/2014 financial year, compared with €15.8 million in 2012/2013 and was primarily made up of non-Group marketing fees and the write-back of support funds from property programmes already delivered.

Deliveries in the 2013/2014 financial year

	New (N) Renovation (R)	No. of accommodation units 2013/2014	No. of accommodation units 2012/2013
Le Havre	N		111
TOTAL CHANNEL RESORTS		**0**	**111**
Biarritz	R		93
TOTAL ATLANTIC RESORTS			**93**
TOTAL SEASIDE RESORTS		**0**	**204**
Avoriaz (Amara+Crozats)	N		104
TOTAL MOUNTAIN RESORTS		**0**	**104**
Moselle 3	N	59	
TOTAL CENTER PARCS FRANCE		**59**	**0**
Bostalsee	N		500
TOTAL CENTER PARCS GERMANY		**0**	**500**
Saint Avertin	N		64
Bassan	N		67
Juvignac	N		67
Saint Laurent de la Prée	N		51
Pont Aven	N		46
La Celle	N	47	
Pringy	N	68	
Marseille	N	89	
Bracieux	N	48	
Charleval	N	65	
Mions	N	78	
TOTAL LES SENIORIALES		**395**	**295**
GRAND TOTAL		**454**	**1,103**

Property reservations including VAT

Reservation contracts enable buyers to pay a deposit to reserve a property asset currently being built or renovated with a seller.

Group and non-Group property development revenue (value of reservations including VAT signed over the financial year, net of cancellations during the same period) reached €291.4 million, corresponding to 1,301 reservations compared with €418.3 million in 2012/2013.

This revenue includes €60.0 million (including VAT) in block sales of cottages at Vienne Center Parcs to French institutional investors (Groupama, la Française Group).

Excluding block sales, the value of reservations is €234.4 million, corresponding to 1,095 units reserved, around a hundred lots per month.

Property reservations including VAT

	2013/2014	2012/2013	Change
New			
Reservations *(in millions of euros)*	177.3	311.7	-43.1%
Number of apartments	689	1,140	-39.6%
Average price *(in euros)*	257,329	273,421	-5.9%
Re-sales(1)			
Reservations *(in millions of euros)*	40.6	52.6	-22.8%
Number of apartments	270	342	-21.1%
Average price *(in euros)*	150,370	153,801	-2.2%
Les Senioriales			
Reservations *(in millions of euros)*	73.5	54.0	36.1%
Number of apartments	342	231	48.1%
Average price *(in euros)*	214,912	233,766	-8.1%
Total			
RESERVATIONS *(in millions of euros)*	**291.4**	**418.3**	**-30.3%**
NUMBER OF APARTMENTS	**1,301**	**1,713**	**-24.1%**
AVERAGE PRICE *(in euros)*	**233,982**	**244,191**	**-8.3%**

(1) The Group's re-sale business is a means of stimulating a secondary market of apartments operated by the Pierre et Vacances Group. Owners wishing to sell their property can contact the Group, which puts them in contact with potential buyers interested in purchasing a property with a Group lease. This business generates commission of around 5% on the selling price.

Principal stock of apartments marketed at 30 September 2014:

Programme by destination	New/Renovation	Delivery date	No. of units	% reserved
Channel				
Deauville Presqu'île de la Touques	N	December 2016	133	25%
Atlantic				
Biarritz	R	April 2013	93	100%
Seaside resorts			**226**	**56%**
Avoriaz Amara	N	December 2012	104	99%
Flaine Hélios	N	December 2014	116	84%
Mountain resorts			**220**	**91%**
CP Sologne 2B	R	June 2012	168	95%
CP Moselle – Lorraine expansion 3	N	December 2013	59	100%
CP Vienne	N	December 2014	971	93%
Center Parcs			**1,198**	**94%**
Colmar	N	June 2015	96	99%
City residences			**96**	**99%**
Villages Nature 1	N	July 2016	787	27%
Villages Nature			**787**	**27%**
Manilva	N	December 2008 and March 2009	328	45%
Bostalsee	N	July 2013	500	78%
Marrakech	N	December 2015	114	32%
International			**942**	**61%**
TOTAL (EXCL. LES SENIORIALES)			**3,469**	**67%**
Senioriales North-North West			**518**	**56%**
Senioriales South West			**390**	**69%**
Senioriales South East			**704**	**81%**
TOTAL LES SENIORIALES			**1,612**	**70%**
TOTAL GROUP			**5,081**	**68%**

PRESENTATION OF GROUP INCOME

Operating profit (loss) from ordinary activities

Profit from ordinary activities for the 2013/2014 financial year has grown significantly, to €12.2 million, compared with €2.7 million in the previous financial year. EBITDA was €56.9 million, an increase of 13%.

(in € millions)	2013/2014	2012/2013 pro forma(*)
EBITDA(1)	56.9	50.4
Depreciation, amortisation and provisions net of write-backs	-44.7	-47.7
OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES	**+12.2**	**+2.7**
Operating margin	+0.9%	+0.2%

(1) EBITDA = earnings before interest, taxes, depreciation and amortisation.
(*) Effect of application of the revised IAS 19 standard on post-employment benefits; +€0.1 million on the ROC (amortisation and provisions) and the profit (loss) for the 2012/2013 financial year.

Operating profit (loss) from Tourism

	Tourism business	
(in € millions)	2013/2014	2012/2013 *pro forma*
Revenue	1,141.1	1,137
Operating profit (loss) from ordinary activities	**-6.9**	**-12.3**
Operating margin	-0.6%	-1.1%

The operating loss from the tourism business was €6.9 million, down by 44% compared with the previous financial year.

It benefited in particular from business growth (€5 million) with margins impacted by the additional costs caused by shorter stays (-€2.5 million), structural cost savings (€9 million) as well as the reduction in the rentals expense upon lease renewal (€10 million, in line with forecasts).

These gains more than compensate for the rising expenses caused by inflation (estimated at €12 million), and the cost of rolling out the D.I.O.S.I.[4] and higher maintenance expenses (€4 million).

Operating profit (loss) from property development activities

	Property development	
(in € millions)	2013/2014	2012/2013 *pro forma*
Revenue	274.4	169.7
Operating profit (loss) from ordinary activities	**19.1**	**14.9**
Operating margin	6.9%	8.8%

The contribution of the property development business was €19.1 million, up 28% compared with the previous financial year.

It represents a margin of 7% on the revenue, in line with the forecasts.

(4) Operational Innovation and Information Systems Department, tasked with transforming the Group's operating modes and processes.

Profit (loss)

(in € millions)	2013/2014	2012/2013 *pro forma*
Revenue	1,415.4	1,306.7
Operating profit (loss) from ordinary activities	**+12.2**	**+2.7**
Net financial income	-18.3	-16.2
Taxes	-7.2	-0.9
Net profit (loss) from ordinary activities(1)	**-13.4**	**-14.4**
Other operating income/expenses net of tax(2)	-13.5	-33.1
OCÉANE redemption	-4.2	
Other	-9.3	
Share of net income (loss) of equity-accounted investments	-	0.1
PROFIT (LOSS)	**-26.9**	**-47.5**
Change in the ORNANE fair value	+3.6	-
Net profit (loss) after taking into account the change in the ORNANE fair value	-23.3	-47.5
Attributable to owners of the Company	*-23.4*	*-47.6*
Non-controlling interests	*+0.1*	*+0.1*

(1) Net profit (loss) from ordinary activities includes operating profit (loss) from ordinary activities, net financial income/expenses and taxes excluding non-recurring items which are reclassified under other operating income/expenses.
(2) Other operating income/expenses net of tax includes factors contributing to earnings which due to their non-recurring nature are not considered to be part of the profit (loss) from ordinary activities (non-recurring tax expenses or savings, update of Group's tax position, restructuring costs, etc.).

Other expenses and income net of taxes mainly include the following non-recurring items:

- €4.2 million in costs as a result of the redemption, in February 2014, of 96.5% of the OCÉANE bonds initially issued in February 2011 (i.e. €116.4 million);
- €5 million in restructuring costs;
- €2 million of closure expenses as a result of the Group's strategy to withdraw from loss-making sites (representing a net negative contribution of almost €2.5 million in 2013/2014).

After taking into account the change in the fair value of the ORNANE share grant right (income of €3.6 million), **the net loss was €23.3 million, a vast improvement compared with the previous financial year (€47.5 million loss in 2012/2013).**

INVESTMENT AND FINANCIAL STRUCTURE

Main cash flows

Before cash flow from financing activities, the Group generated positive cash and cash equivalents of €13.6 million during the financial year, leading to a reduction in net debt, compared with a cash requirement of -€65.8 million in 2012/2013.

This change was brought about by:

- the cash resources secured during the financial year by the change in working capital requirements, mainly due to the proceeds from the property development programmes sold;
- increased cash flows as a result of improved operational performance and a sharp drop in restructuring costs.

1

Summary statement of cash flows

(in € millions)	2013/2014	2012/2013
Cash flows (after interest and tax)	+25.2	-11.3
Change in working capital requirements	+24.0	-41.8
Cash flow from operating activities	**+49.2**	**-53.1**
Net operational investment spending	-24.5	-20.1
Net financial investment	-11.0	+7.4
Cash flow from investment activities	**-35.5**	**-12.7**
Operational cash flows	**+13.6**	**-65.8**
Acquisitions and disposals of treasury shares	-0.1	-0.1
Dividends paid	0	0
Change in loans and other borrowings	-26.4	-40.3
Cash flow from financing activities	**-26.5**	**-40.4**
Increase (decrease) in cash and cash equivalents	**-12.9**	**-106.2**

The Group's Tourism and Property Development businesses generated a cash resource of €49.2 million during the 2013/2014 financial year, compared with a financing requirement of -€53.1 million in 2012/2013.

This positive development is thanks to:

- **the cash resource released by the change in working capital requirements** (+€24.0 million, compared with -41.8 million over the previous financial year). this improvement is mainly due to the proceeds from the property development programmes sold (Center Parcs in Vienne, Villages Nature, the extension to the Center Parcs in Moselle, etc.), which made it possible to recover part of the advances in equity invested in previous financial years;
- **an increase in cash flows** (+€25.2 million compared with -€11.3 million in 2012/2013), thanks to:
  - positive cash which is greater than in the previous financial year, generated by day-to-day business, of €40.5 million (compared with +€20.8 million in 2012/2013),
  - non-recurring expenses much lower than in the previous financial year (-15.3 million in 2013/2014, including -€4.2 million in expenses from the redemption of the OCÉANE bonds, compared with -€32.1 million in 2012/2013).

Net cash flow from investing activities was -€35.5 million and mainly included:

- **investments of €17.5 million in sites as part of tourism business operations, including:**
  - €10.2 million of investment for the renovation and improvement of the product mix for all Center Parcs Europe villages, including €3.2 million investment in Dutch villages, €2.8 million in Belgian villages, €2.5 million in French villages and €1.7 million in German villages,
  - €7.3 million of investment spending on residences and villages operated under the Pierre & Vacances Tourisme Europe brand, including €1 million to renovate the village in Sainte-Anne, in Guadeloupe (upgrade of part of the village – creation of premium areas);
- **the €7.8 million investments to continue rolling out new IT systems** (pricing software, websites, booking system, CRM, Planet), net of the cash released from the sale of certain IT assets pre-financed by the Group to the tune of €1.1 million;
- **the 37.5% stake held by the Group** in the share capital of the company which made a block purchase of 783 cottages and apartments in the **Villages Nature** project, i.e. an investment of €7.5 million;
- a €2.6 million capital increase of the SDRT Immo subsidiary in Morocco.

The €26.4 million drop in sundry loans and liabilities (excluding bank overdrafts) at 30 September 2014, compared with 30 September 2013, was mainly due to:

- amortisation of €4.5 million, of the corporate debt taken out by the Group in February 2014 (initial amount of €45 million subject to straight-line amortisation over 5 years);
- the annual amortisation of the financial liabilities on finance leases for €5.2 million;
- the repayment of property development bridging loans on the new Center Parcs at Bostalsee in the amount of €11.2 million and on the Les Senioriales programmes for a net amount of -€3.3 million, linked to progress in marketing.

  The Group's overall refinancing in February 2014 had an effect:

- renewal of the syndicated credit (net effect of €41.2 million in loan issue costs) to refinance the balance of the previous corporate debt taken out in June 2010 (€30 million at 31 December 2013);
- ORNANE bond issue (net effect of €111.1 million) and the early redemption of 96.5% of the OCÉANE bonds issued in February 2011 (effect of -€116.3 million).

Change in the structure of the statement of financial position

Given the management principles adopted by the Pierre & Vacances-Center Parcs Group in its tourism and property development businesses, the following points should be noted regarding the contribution of these two businesses to the consolidated statement of financial position.

The tourism business is not particularly capital intensive since the Group does not intend to own the villages or residences that it operates. As such, investment spending primarily concerns:

- furniture for apartments sold unfurnished to individual investors;
- general services for the residences;
- leisure facilities for holiday villages (swimming pools, sports and leisure facilities, children's clubs, etc.);
- some of the commercial premises (restaurants, bars, seminar rooms, etc.).

Ownership of these assets is a guarantee of the Group's long-term management of the sites concerned. However, it should be noted that, for Center Parcs, the leases entered into with institutional investors are triple net leases: the Group is responsible for investment in central facilities and cottages.

Working capital requirements in the tourism business are structurally negative, but vary significantly over the financial year depending on the season.

Concerning the Group's **property development businesses**, the construction of new property programmes should be distinguished from property renovation activities.

The new programmes have the following financial features:

- the capital required to fund each new residence is equivalent to around 10% of the cost price before VAT;
- bridging loans are set up for each transaction, and maximum use is made of these facilities before the notarised deeds of sale are signed;
- the relative size of working capital requirement items on the statement of financial position (accounts receivable, work in progress, deferred income and prepayments) is significant. Sales signed with a notary and not yet recognised in earnings are booked to the statement of financial position as current liabilities. At the same time, expenses incurred on these same transactions are booked as work in progress. Revenue and margins on property development programmes are reported using the percentage of completion method. The percentage of completion is calculated by multiplying the percentage of construction progress by the percentage of revenue from property sales signed at a notary's office. In contrast, stocks of completed properties and land are kept low by the Group's pre-selling strategy (properties sold off-plan for delivery on completion) as well as its policy of marketing properties before construction work is started and not acquiring land before final planning permission has been obtained.

The property programmes for the Center Parcs villages and, in particular, construction of facilities on behalf of institutional investors, generally result in a temporary deterioration in working capital requirements since the Group pre-finances some of these expenditures and works.

The property renovation programme generates a temporary deterioration in working capital requirements. In this business, the Group acquires existing residences, generally from institutional investors, with the aim of renovating them and selling them on to individual investors under its traditional sales formulae. The fact that the Group owns the land and property during the residence renovation period increases its property portfolio and hence, temporarily increases working capital requirements until the properties are delivered to individual investors.

Properties leased by the Group consist of the registered office in Paris, for which the Group pays a total annual rent of around €6 million.

The cash flows generated by the Group's business in 2013/2014 helped maintain a sound financial position. At 30 September 2014, the net bank debt to equity ratio attributable to owners of the Company was 44%, equivalent to the previous financial year.

Simplified statement of financial position

(in € millions)	30/09/2014	30/09/2013 pro forma(*)	Changes
Goodwill	156.4	156.4	-
Net fixed assets	458.4	470.9	-12.5
WCR and others	63.1	87.3	-24.3
TOTAL INVESTMENTS	**677.9**	**714.6**	**-36.7**
Equity	373.6	396.9	-23.3
Provisions for risks and charges	30.6	34.5	-3.9
Net financial debt	273.7	283.1	-9.4
including net bank debt	*166.0*	*173.5*	*-7.5*
including rental commitments – Ailette facilities	*107.7*	*109.6*	*-1.9*
TOTAL RESOURCES	**677.9**	**714.6**	**-36.7**

(*) *Restated for the effect of the first-time application of revised IAS 19:*
- increase in provisions for retirement and post-employment benefits of €9,397 thousand;
- increase in associated net deferred tax assets for an amount of €2,386 thousand;
- reduction in consolidated equity for an amount of €7,011 thousand.

The net carrying amount of goodwill totalled €156.4 million.

The main goodwill items broke down as follows:

- Tourisme Europe: €135.6 million;
- Les Senioriales: €18.9 million.

The decrease in net fixed assets (-€12.5 million) mainly comes from:

- contributions to amortisations and provisions for the period (€47.2 million);

Less the following:

- €24.2 million in investments in the tourism business and the development of new IT systems;
- €7.5 million of investment in the share capital of the company which made the block purchase of 783 cottages and apartments in the Villages Nature project;
- a €2.6 million capital increase of the SDRT-Immo subsidiary in Morocco.

Net fixed assets at 30 September 2014 include:

- €123.5 million of intangible assets; this amount is mainly the net value of the Center Parcs brand for €85.9 million;
- €300.5 million for property, plant and equipment; this includes for the most part assets used in the operation and marketing of villages under the Center Parcs and Sunparks brands for a net amount of €214.5 million and villages and residences from the Pierre & Vacances Tourisme Europe brands for a net amount of €83.8 million;
- €24.2 million in non-current financial assets;
- €10.2 million in equity-accounted investments (the Group's stake in the capital of the company which made the block purchase of cottages and apartments in the Villages Nature project and capital increase of the SDRT-Immo subsidiary in Morocco).

The amount of equity totalled €373.6 million at 30 September 2014, (compared with €396.9 million on 30 September 2013), after taking into account:

- the net loss for the period of €23.3 million (including the change in fair value of the ORNANE share grant right of +€3.6 million);
- the effect, for the optional part, of the redemption of the OCÉANE bonds issued in February 2011 (-€3.2 million);
- a net increase in equity before earnings of €3.2 million due to IFRS accounting of actuarial differences on retirement benefit obligations, stock options, treasury shares and financial hedging instruments.

Provisions for risks and charges totalled €30.6 million at 30 September 2014, compared with €34.5 million at 30 September 2013.

At 30 September 2014, provisions for risks and charges broke down as follows:

- provisions for pensions: €22.0 million;
- provisions for renovations: €4.8 million;
- provisions for legal disputes, restructuring and miscellaneous risks: €3.8 million.

Net debt reported by the Group at 30 September 2014 broke down as follows:

(in € millions)	30/09/2014	30/09/2013	Changes
Gross debt	282.3	304.6	-22.3
Cash and cash equivalents (net of credit balances)	-8.6(*)	-21.5	+12.9
Net debt	**273.7**	**283.1**	**-9.4**
including net bank debt	*166.0*	*173.5*	*-7.5*
including rental commitments – Ailette facilities	*107.7*	*109.6*	*-1.9*

(*) Undrawn credit lines available: €170 million.

The drop in gross debt is detailed in the Main cash flows paragraph above.

Net debt reported by the Group at 30 September 2014 (€273.7 million) corresponded mainly to:

- the ORNANE issue in February 2014 for a gross amount of €115 million;
- the balance of the OCÉANE issue of February 2011, i.e. €3.9 million;
- the principal amount outstanding (€40.5 million) on the Corporate loan initially contracted for €45 million on the renewal of the syndicated credit in February 2014 and subject to straight-line amortisation over 5 years.

  The refinancing of the Corporate loan also included a confirmed credit line for €140 million (undrawn at 30 September 2014).

  One adjusted net debt/EBITDAR ratio for the loan and the credit line is calculated contractually once a year at 30 September:

  - adjusted net debt: designates net financial debt increased by the Group's rental commitments over five years following the end of the reporting period and discounted at 6.0%,
  - EBITDAR: designates EBITDA increased by annual rents.

  This ratio, which should be 3.75 or below at 30/09/2014, was adhered to.
- the amount of financial liabilities prompted by adjustments for sale and lease-back contracts for €111.4 million, including €107.7 million for the central facilities at Center Parcs Domaine du Lac de l'Ailette;
- bridging loans taken out by the Group to finance property development programmes to be sold for €12.2 million (mainly Les Senioriales programmes at 30 September 2014);
- net cash deficit of €8.6 million.

RISK MANAGEMENT

The Pierre & Vacances-Center Parcs Group has carried out a review of the risk factors that may have a significant negative impact on its activities, the profitability of these activities or its income. The Pierre & Vacances-Center Parcs Group has not found any significant risks other than those presented below.

MARKET RISKS

The market risks (liquidity risk, interest rate risk and foreign exchange risk) are described in Note 22 of the notes to the consolidated financial statements.

The activities of the Pierre & Vacances-Center Parcs Group (tourism and property development) depend generally on the economic outlook which, during a downturn, may have an impact on the Group's income. The Group's fundamentals provide a means of resistance to the current economic and financial crisis beyond the independence of tourism and property development market cycles on which the two main activities of the Group are based:

- **the Tourism business** has some unique competitive advantages: it is based on the concept of local tourism, which benefits a European customer base by alleviating the expenses and uncertainty associated with the energy cost of transport, and the diversity of the products, distributed over five main brands in top seaside, mountain, city and countryside locations, mainly in the form of villages and residences meets a very wide range of needs, appealing to different generations and socio-professional categories;

- **as far as property development is concerned,** the measures put in place and described below limit the sensitivity of property development products to variations in the property market. The marketing of apartments managed by the Pierre & Vacances-Center Parcs Group gives investors a guaranteed return on a long term investment in the underlying property market and constitutes a secure investment alternative to a classic portfolio of securities or real assets.

SPECIFIC RISKS RELATING TO THE GROUP'S ACTIVITIES

Risks relating to the seasonality of the tourism business

The European tourism sector has a **seasonal nature** with considerable changes in business depending on the period (school holidays) and the destination (stronger mountain business in winter and seaside business in summer).

The activity of the residences and villages operated under the Pierre & Vacances and Maeva brands has a clear seasonal nature. It is based around two seasons, a winter season (November to April) and a summer season (May to October), resulting in a structural deficit for the first two quarters of the financial year. Rental revenue generated by these residences and villages in the first half of 2013/2014 represented only 39% of the annual rental revenue, while fixed operating expenses (including rents) were spread on a straight-line basis across the whole financial year.

The Group endeavours to reduce the seasonality of this business segment by putting in place the following strategic initiatives:

- increasing sales abroad, both in European markets bordering France and in territories further towards Eastern Europe (signing of partnership agreements with foreign tour operators);
- promoting initiatives to increase sales outside of school holidays as a way of leveraging higher occupancy rates in low season with a range of short-stay offers for individuals and business seminars;
- using tariffs which vary according to the different periods, with large variations between high and low seasons;
- targeted promotional campaigns.

This seasonal aspect of the Group's tourism business has also been cushioned by the development of the product offering:

- city residences (Adagio & Adagio access), which are open year-round, have high occupancy rates, and target two complementary customer categories: long-stay business customers and short-stay tourists;
- Center Parcs villages, whose covered facilities enable them to remain open throughout the year.

Risk related to the cyclical nature of the property market

The activity of the property development business segment can be sensitive to interest rate variations. In addition to a significant increase in real interest rates, the Group's property sales could be affected by competition from interest-bearing products of the life insurance type.

To reduce its sensitivity to the cyclical nature of the property market, the Group has put in place several measures based mainly on:

- using diversified sales formulae (non-commercial furnished property leasing (LMNP), commercial furnished property leasing (LMP) and Censi Bouvard, etc.) for French private investors, which help to optimise the profit earned by the buyers of apartments in the residences thanks to tax incentives;
- expanding sales of Center Parcs cottages to private investors in Germany, the Netherlands and Belgium;
- the block sale of Center Parcs cottages in France to institutional investors;
- public-private partnerships to finance recreational infrastructure and facilities;
- diversification of its investors in geographic terms (British, Irish and Spanish);
- a more flexible cost structure by making use of external companies for construction and architects' plans, and tightening cost controls on property developments (extending the scope of purchasing to the property business in order to obtain economies of scale).

Stock risk

Stock risk is linked to the Group's ability to build holiday residences on the land bought, and then market them and sell the buildings quickly. The stock of property programmes are detailed in Note 12 of the notes to the consolidated financial statements.

The Pierre & Vacances-Center Parcs Group carries out property development projects according to strict and prudent rules. Definitive authorisations without the right to revoke are obtained from the appropriate authorities for all land purchases, with the result that the Group is only committed to the fees due for obtaining planning permission. Land acquisitions are generally subject to pre-selling conditions above 50%.

As a result, the real estate policy, the marketing method (selling off plan) and the pre-selling conditions that the Group imposes on itself before starting construction ensure that the land and the completed properties are in stock for a short time.

The same thinking applies to sales of existing property renovated by the Group where the stock risk is mitigated by the effective use of the property, generating rental income even when there is no resale.

The table of "Principal stock of apartments marketed at 30 September 2014", which appears in the management report, shows the percentage sold. 67% of the programmes have been sold on average.

Thanks to extensive pre-selling, very few unsold units remain (only the Manilva programme in Spain, which has been hit especially hard by the property crisis, still has 185 unsold apartments, but this number is decreasing year after year). To sell the remaining units, the Group may decide, on an *ad hoc* basis, to offer certain benefits to the last few buyers (payment of notary fees, free Pierre & Vacances holidays, etc.) to close the deal.

Credit risk

Because of the multiplicity and diversity of its customers, both in its tourism and property development businesses, the Group does not consider itself exposed to a concentration of customer payment risk, even though of course the disposal of property stock and the level of tourism business can be directly affected by the behaviour of its customers which, in turn, depends on the environment they find themselves in.

Because of the Group's marketing rules concerning the sale of apartments and houses built by the Property Development Division (selling off-plan), the property development business incurs no counter party risk with its customers because, if payment is not received, sales are cancelled at the reservation stage before any transfer of ownership.

In the tourism business, risk of non-payment by customers is low because most of the accommodation revenue is achieved by direct sales (80% for 2013/2014), a marketing method in which payment for the service is made in advance of consumption.

In relation to indirect sales, to reduce the risk of a default by a debtor or an unfavourable event in a given country affecting the Group's collection of its customer receivables, the Group policy is to:

- maintain a diversified portfolio of tour operators and travel agencies;
- work only with the market's major players;
- use contracts set up by the Legal Department assisted by its advisers and check the solvency of the counter-parties.

The Group has therefore always maintained a very low level of unpaid receivables. The average payment time granted to tour operators and travel agencies is 45 days.

Risk relating to rental commitments

The Pierre & Vacances-Center Parcs Group strategy is not to commit its own equity to ownership of the bricks and mortar of the holiday apartments and villages that it operates, so it sells these assets to individual or institutional investors. The sales are accompanied by lease-back agreements signed between the new owners and the Group tourism operating companies usually for between 9 and 15 years. The amount of the rents payable by the Group over the remainder of the leases amounts to €2,292 million at 30 September 2014, i.e. €1,754 million discounted at a 6% rate (See Note 37 of the notes to the consolidated financial statements – Off-statement of financial position commitments).

Income generated by using the leased apartments and houses for tourism purposes offsets these rents payable to the owners which constitute, along with personnel expenses, the main source of fixed expenses associated with the tourism business.

Depending on the country concerned, the indexation applicable to the rent is set according to the principle of contractual freedom or within a more regulated framework through the renewal of existing contracts.

Mainly in France, the status of commercial leases enables tourism operators who have taken out leases to claim renewal of expired leases under the same contractual conditions. This protection does not mean that negotiations cannot be entered into between the parties to reach an agreement on new stipulations (including those relating to indexation) which are then incorporated into new leases, as in countries where renegotiations are governed by the principle of contractual freedom.

Until financial year 2011/2012 (inclusive), rents paid by the Group to individual investors were usually indexed to the French Construction Costs Index (ICC). Since 2002, the ICC had increased by nearly 40% while the Consumer Price Index had only risen by nearly 20% in the same period. The significant difference in the growth of these indexes had a negative impact on the operating profit (loss) of the Group's tourism business.

In this context, the Group has started to introduce a policy of reducing rents, primarily through:

- the change in the benchmark index of accrued leases (from the ICC to the IRL), starting from 2013, to ensure consistency between the performance of the tourism business and the level of rents. Since the February 2008 law on purchasing power, the IRL (Rent Reference Index) corresponds to the average change in consumer prices (excluding tobacco and rents) over the past 12 months. At 30 September 2014, only 20% of the individual Pierre & Vacances leases are still indexed to the ICC;
- renegotiation of leases when they are renewed:
  - the maximum annual indexation is capped to 2% (uniformly applied to all new contracts concluded). This policy is expected to increase the capped portion of rents paid to individual investors to over 90% in 2017 (100% in 2019),
  - maintenance or reduction of cash rents, on a residence-by-residence basis, possibly associated with an increase in the occupancy rate to compensate the owners,
  - introduction of variable rents,
  - in some cases, operating under management agreements or potentially withdrawing from certain operations,
- activation of three-year maturities for some residences.

These steps should gradually decrease the Pierre & Vacances rent expense of €67 million (including indexation[5] and excluding development of the offering), of which €54 million between 2013 and 2017 vs. €46 million announced previously).

Rents paid by the Group outside France (Center Parcs lessors) are indexed to consumer price indexes in the country in which the site is located, with the most important leases increasing by between 1.75% and 3.75% per year.

(5) Assumption of a 2% per annum change in the French rental reference index (IRL).

LEGAL RISKS

The Group's Legal and Risk Management department, reporting to the Group's Executive Management, is based in Paris and includes (i) directly within its structure the legal functions for France and southern Europe, and (ii) via a functional link with the local team of attorneys and legal experts, the legal functions of the BNG (Belgium/Netherlands/Germany) business segment. It checks the way the Group's legal and particularly contractual commitments are formed, and monitors the disputes of all the operating subsidiaries.

General risks

Property development

Risk relating to failure to obtain local government authorisations

The legal risk associated with failure to obtain local government authorisations for new programmes is strictly limited to preliminary study costs, pre-selling expenses and internal fees since the Pierre & Vacances-Center Parcs Group only purchases land if the local government authorisations have been obtained. With respect to renovation programmes, the Pierre & Vacances-Center Parcs Group obtains existing operations already up and running, and these generate revenue to offset the cost of financing the acquisition. However, the time it takes to obtain these permits purged of all rights of third-party recourse can slow down the process and result in higher costs for some property development programmes.

Risk relating to construction defects

The construction-sale companies that develop property projects take out the customary insurance to cover the construction risk (developer public liability, civil engineering where appropriate, construction damage) and/or require their subcontractors working on the programmes to take out such policies. The excesses or exclusions of the cover are in line with industry standards. They do not usually take out policies relating to "anticipated operating losses", other than for the largest property development programmes.

Risk relating to ownership of property assets

The Group's policy is not to start work until a very significant proportion of the properties has been pre-sold so that, when the programme is delivered and begins operations, the Group usually does not have full ownership of a significant volume of any property asset.

The legal risk relating to the ownership of managed property does not therefore apply to the Group as such but applies to the co-owners, individuals or legal entities, in the context of co-ownership management, under the terms and conditions of the leases agreed with the Group; these agreements may stipulate for example that certain types of co-ownership expenses are covered by the Pierre & Vacances-Center Parcs Group. This is particularly the case with long term leases with institutional investors signed by the Group.

Tourism operations and management

Risks relating to tourism operations

The Pierre & Vacances-Center Parcs Group's policy is to apply, as strictly as possible, all regulations applicable to its business of selling holidays and leisure activities, notably those relating to:

- consumer protection (ensuring that the general conditions of sale in the brochures comply with applicable laws and the recommendations of the Commission des Clauses Abusives (France's fair trading watchdog); ensuring that the products sold comply with regulatory requirements);
- the safety rules applicable to holiday residences and facilities available to customers (swimming pools, slides, etc.);
- the prohibition of misleading advertising, which requires that the descriptions of the holiday packages sold are truthful;
- the rules protecting the rights of persons who own image rights or other intellectual property rights on works of art (brochures, websites);
- the rules relating to specifically regulated activities or activities for which access is subject to specific conditions of capability or guarantees (co-ownership syndicate activity for the subsidiaries Sogire and SGRT, travel agency activity by the PV-CP Distribution subsidiary, etc.).

Nevertheless, the Group remains dependent on the owners' decisions regarding investment in residences it operates.

The Pierre & Vacances-Center Parcs Group has the resources to comply in principle with all these requirements.

The risks associated with tourism operations relate mainly to the Pierre & Vacances-Center Parcs Group's public liability, property damage (personal injury, material and immaterial damage) and operating losses for which a policy of prevention and cover through insurance policies with the customary caps and excesses is followed.

Labour risks

The Pierre & Vacances-Center Parcs Group – because of its service business – employs a large workforce both at its registered office and in its secondary establishments or at its tourism sites. The Group Human Resources Department works very carefully, under the direction of a member of the Group Executive Management Committee, to comply with the applicable legal requirements both from individual and collective points of view, to ensure that employment always reflects structural business changes. The number of industrial relations disputes remains low. The Group is involved in less than one hundred individual disputes before industrial tribunals and is not involved in any collective disputes (see specific disputes below).

Risks relating to damage to the brand image

These risks may be considered significant particularly in the tourism field. Specifically, in addition to the direct damage, an event may prejudice the Pierre & Vacances-Center Parcs Group's image and can negatively impact its results, a phenomenon that may be amplified by the development of social networks.

That is why the Pierre & Vacances-Center Parcs Group has set up a special organisation to deal with any situation likely to endanger its personnel, its customers, its interests and/or its reputation.

This specific crisis management system consists of a specifically dedicated, multi-disciplinary team headed by the Operational Risks Department.

In addition, the Pierre & Vacances Center Parcs Group has an IT application, internal resources and procedures that help to ensure constant monitoring of information published on the web which could harm its "e-reputation".

Industrial and environmental risks

The Pierre & Vacances-Center Parcs Group's activities are likely to be influenced by climatic and environmental conditions affecting the property sites and are exposed to risks of property damage and personal injury caused by incidents such as fire, explosions and spillage of maintenance products, etc.

The Group has introduced a prevention plan led by the Operational Risks Department and intended to limit the occurrence and consequences of such risks as far as possible. The Group's integrated risk management tool, "Health, Safety and Environment", enables regular site self-assessments which result in action plans and internal audits. A team of experts provides help, assistance and support to the teams in the field. In the tourism business, the wide range of operating sites by the sea, in the mountains, in town centres and in the country means that the potential impacts of climatic and environmental risks can be reduced, particularly external risks or environmental disasters outside the Group's control, be they natural or industrial incidents (such as industrial accidents or oil spills for example). As regards the property development business, the timescales and/or costs for completing the structures to be built can be affected by climatic and geological conditions. The Pierre & Vacances-Center Parcs Group prevents these risks as much as possible by conducting preliminary ground surveys before the building land is bought and seeks to pass on to companies performing the building work its commitments relating to possible legitimate causes for work being suspended.

Description of ongoing disputes

At 30 September 2014, and for the past 12 months, no governmental, legal or arbitration procedure (including any proceedings known to the Group either pending or threatened) of any significant character, either individually or globally, affects the position or profitability of the Group.

Each dispute is monitored and analysed by the Group's Legal Department which, if necessary, assesses the potential cost on a case-by-case basis with the help of external attorneys and experts. A provision for the estimated cost of the risk is recognised in the individual financial statements of the various entities involved.

The amount of provisions for disputes at 30 September 2014 is detailed in Note 18 – Provisions of the notes to the consolidated financial statements.

Property development

The risks currently managed on behalf of its wholly-owned subsidiaries, notably property development companies, are not significant for the Pierre & Vacances-Center Parcs Group.

- The Group manages disputes relating to builders' liability. Claims have been made against the insurance policies taken out by the property development companies.
- The Group also manages a number of disputes relating to contested end-of-work balances with companies or sub-contractors whose responsibility is in question following sub-standard work.
- The Group also manages a number of disputes relating to property sales (alleged non-compliance with plans or commercial documents). Such disputes are rare and the Pierre & Vacances-Center Parcs Group has a policy of favouring an amicable solution to this type of problem whenever possible.

Operation and management of tourism activities

- Disputes with customers: out of more than 1 million weeks sold per year, the Group deals with on average less than 20 legal disputes before the local or district courts, depending on the scale of the dispute. All other customer disputes are usually settled amicably.
- Disputes with property investor owners: out of more than 23,000 co-ownership lots dependent on the sites managed, the Group is facing a certain number of legal disputes as plaintiff or defendant before the local or district courts depending on the size of the dispute. These disputes concern the conditions for renewal of leases and the payment terms of rent and charges.
- Disputes with tourism industry professionals the Pierre & Vacances-Center Parcs Group is in the process of recovering money from tourism professionals, generally small ones, with cash flow difficulties.
- Disputes with service providers: the Group uses a number of service providers to supply particular services (catering, entertainment, maintenance, information technology, etc.), so some of them may default on their commitment and/or cause their payment to be disputed.
- Regulated activities: as a member of co-ownership syndicates, the Group may be involved either as a plaintiff or defendant, in co-ownership disputes in which the syndicate may – in some cases – be considered liable. The corporate liability insurance of the syndicated companies of the Pierre & Vacances-Center Parcs Group is always brought into these disputes and the insurer is involved.

Risks of regulatory changes

- The business activities of the Pierre & Vacances-Center Parcs Group are governed by the legal and regulatory corporate and property law framework including provisions on consumer or tenant protection which, during the 2013/2014 financial year, have undergone change, notably the "Hamon I and Hamon II", "Pinel" and "ALUR" laws. In addition to its involvement in professional tourism and property development bodies, the Group, via its Legal Department, monitors legal changes which may affect its commitments and obligations so as to adapt its contractual practices and tools to the new rules and standards in force, which did not lead to any major effect on its performance being identified.

IT risks

- The business activities of the Pierre & Vacances-Center Parcs Group require significant IT equipment (central systems, PCs, laptops, networks, etc.) which is managed centrally at the head office in Paris by the Operational Innovation and Information Systems Department to plan the necessary updates and replacements due to obsolescence of the hardware and developments of new technology solutions essential to its activities. This Department is responsible for organising and securing systems and networks to offer maximum protection for the Group's personal and financial data against malicious acts and intrusion. Therefore, it has a specific Information Systems Security business segment and manages a formal Disaster Recovery Plan (DRP) which is regularly tested so that applications identified as critical are able to restart within an acceptable timeframe, after the occurrence of a major problem affecting the systems.

Risk insurance and cover

Insurance policy is defined at Group level, including BNG, by the Risk Management section reporting to the Legal Department.

The overall budget allocated to this cover was €5 million (excluding construction) for the 2013/2014 financial year, a stable figure in terms of premium volumes and coverage levels compared with the previous financial year.

Most of this budget goes on all-risks insurance covering operation of the tourism sites against damage and operating losses for all brands.

The Pierre & Vacances-Center Parcs Group is covered against property damage and operating losses with a contractual compensation limit of €200 million per claim.

Furthermore, a second excess line, to cover the Center Parcs Domaine du Lac de l'Ailette village, has been taken out to take the contractual compensation limit to €250 million per claim, corresponding to the valuation of the Maximum Possible Claim for this new site.

The level of cover set for operating losses reflects the time required for the total reconstruction of a major site.

Property insurance covers the maximum realistic claim possible on sites with the highest concentration of value.

There are still a number of types of risk that may affect the Group's income which are not covered by the policies taken out, specifically:

- uninsurable risks: obviously, the Group is not covered for risks subject to common, regulatory or structural insurance policy exclusions, such as: risks without hazards, loss of operating profit as a result of strikes, dam failure in the Netherlands, pandemics, as well as the consequences of intentional misconduct or liability as a result of failure to honour contractual obligations, etc;
- special risks which are not included under any specific cover, such as risks of operating losses as a result of economic or political instability, etc.

As far as risks associated with terrorism are concerned, these are covered, for a significant proportion of the Group's tourism business, firstly, through the GAREAT regulations (a French national arrangement covering acts of terrorism) for sites located in France (including the four French Center Parcs sites) and, secondly, by a specific insurance cover relating to all the Center Parcs Europe villages.

As regards the risks of property damage and operating losses, the insurance companies Royal Sun Alliance and Allianz are the leading insurers with which the Group has taken out policies.

AXA is the main insurer in the blanket cover programme for public liability.

The Group does not have a captive insurance or reinsurance company.

Major contracts

During the last three financial years and at the date of this Registration document, the Group has not concluded any major contracts, other than those agreed in the normal course of business, that confer a major obligation or commitment on the whole Group.

The off-statement of financial position commitments are provided in Note 37 of the notes to the consolidated financial statements.

Risk of departure of key personnel

The risk that key personnel might leave is a risk faced by any enterprise. The departure of managers or employees responsible for essential functions within the enterprise or who have strategic and operational skills spanning all of the business sectors can have a negative impact on results.

As is more fully explained in the "Chairman's report on the organisation of the Board and the internal control procedures", the conduct and management of the Pierre & Vacances-Center Parcs Group is organised around various decision-making bodies. The collegial nature of the other decision-making bodies, the frequency of their meetings and the high delegation level assigned to them and the implementation of dedicated Governance and business continuation plans ensure, with the involvement of the internal control departments, the conduct and management of the Pierre & Vacances-Center Parcs Group to continue its founding and prudential principles already in place, despite the temporary or permanent unavailability of members of the Group's Executive Management Committee/COMEX, or of the Chairman-Chief Executive Officer.

OUTLOOK

MARKET AND COMPETITION

Tourism business

Via its five main brands, Pierre & Vacances, Maeva, Center Parcs, Sunparks and Adagio, the Pierre & Vacances-Center Parcs Group offers a wide range of destinations in mountain, seaside and countryside regions and European cities. This range of complementary and distinguished brands enables the Group to provide a comprehensive and unique offering in furnished rentals with à la carte services. Each year, the Group welcomes nearly 7.5 million customers.

- Against the current economic backdrop, the **Group's ability to meet the needs of each customer** is a decisive factor, particularly in terms of:
  - furnished rentals (ready-to-live apartments and homes);
  - flexibility (duration of holidays, departure and arrival days);
  - services and events for all, catering;
  - proximity;
  - prices (competitive price positioning and per head prices).
- The demands of holidaymakers have changed in line with the following:
  - demographic factors in Europe (higher number of elderly people, extension of "youth" segment);
  - macroeconomic factors (boom in fuel costs, lower purchasing power, global expansion of tourism) and technological factors (new uses of the Internet, online intermediaries, etc.);
  - environmental factors (natural disasters, collective awareness of environmental values).

These developments have generated **increased demand for local tourism,** short stays and sites and types of accommodation enabling holiday makers of all generations to gather together in complete freedom and have necessitated an on-going digital dialogue with customers.

- Among the distribution channels, the **Internet** is a strategic and essential tool. It represents:
  - a primary source of information with a major impact on purchasing decisions;
  - a shop-window effect favoured by technological progress; a sales presence relayed abroad;
  - a sales presence relayed abroad.

In financial year 2013/2014, the Pierre & Vacances-Center Parcs Group generated 34% of its sales directly from the Internet.

With 295 sites, 47,800 apartments and 218,000 beds operated in Europe, the Pierre & Vacances-Center Parcs Group is the European leader in local tourism.

- In France, the Group is the leading provider of leisure residences (almost 21,000 apartments for the brand names Pierre & Vacances and Maeva) followed by Odalys (13,500 apartments), Lagrange (68 establishments), Eurogroup (66 establishments) and Goelia (46 establishments). (source KPMG – *The French Hotel Industry in 2014*).
- In Northern Europe, the main rivals for Center Parcs Europe are Landal Greenparks (65 villages, or 11,000 cottages, in the Netherlands, Belgium, Germany, the Czech Republic, Austria and Switzerland) and Roompot (around 100 villages, or 5,000 cottages, in the Netherlands, Germany, Denmark and Poland).
- Following the acquisition of Appart'City by the Park&Suites Group, the Group is now in 2nd position on the city residences market, with 83 Adagio and Adagio access residences, i.e. almost 9,300 apartments, followed by Residhome/Séjours & Affaires/Relais Spa (6,600 apartments – Résidétudes Group), Citadines (3,100 apartments – Ascott Group), Résid'hôtel (1,500 apartments) and Odalys (1,500 apartments). (source KPMG – *The French Hotel Industry in 2014*).

  City residences generally receive a mixed clientele comprising managers, consultants and employees but also tourists who complement the business customers when this market is weaker, in particular in the summer months.

Property development

The property development business is primarily focused on the Group's tourism businesses since it consists of building residences and villages which are later operated by the tourism business. The apartments and cottages built are sold to investors who lease them back to the Group's tourism business.

The Pierre & Vacances-Center Parcs Group also has a pure property development business with Les Senioriales products. Les Senioriales has developed an innovative residence concept meeting the needs of active and independent elderly people. These are not medical residences but provide comfort, security and conviviality and contain around 60 to 70 homes. Sold under property ownership, the residences are located very close to medium-sized towns. In this market, while potential client numbers are constantly increasing (more than one third of the French population will be over 60 by 2050), the segment is more sensitive to ups and downs in the property market in general.

The main rivals in this market are specialist retirement home property developers such as Aegide and Les Villages d'Or, and more general property developers such as Akerys Promotion, Bouwfonds Marignan, Bouygues Immobilier, Cogedim and Nexity.

A STRATEGIC PLAN IN AN ACCELERATED OPERATIONAL PHASE

Over the last two financial years, the Group has improved its operational organisation, by improving its processes and operating methods and by developing a marketing and communication strategy focused on the customer and digital methods.

The WIN strategic plan is now entering its accelerated operational phase.

To boost the growth of the tourism business, Martine Balouka-Vallette, who joined the Group in 2002 and is renowned for her expertise in the sector and in management, was appointed Pierre & Vacances and Center Parcs Chief Executive officer for Tourism.

In 2014/2015, the improvement of the tourism offering, the development of a distinctive, personalised digital customer relationship and efficient distribution modes will be the main drivers of revenue growth. The Group will also step up its lease renewal policy with, for some residences, the activation of the three-year maturities and management agreement proposals. The rent expense should therefore be cut by €67 million over the period 2012/2013 to 2018/2019.

All of these initiatives should ensure a return to operational profit for the tourism business from 2014/2015, and an operating margin of 5% in 2016/2017.

At the same time, the Group is continuing its property development activity, with large-scale projects on the contributing brands to secure property margins and for tourism management: Center Parcs, Villages Nature, Adagio, Pierre & Vacances premium. One of its major focuses on development is international, mainly in the Netherlands, Belgium and Germany, by split sales of renovated Center Parcs sites, and Spain.

The potential of the inventoried property development business is almost €2 billion.

In a European economic environment without significant change, the Group should reach its **target of an operating profit from ordinary activities as a percentage of revenue of 5% to 6% by 2017.**

INFORMATION ON SOCIAL, SOCIETAL AND ENVIRONMENTAL ISSUES

CSR POLICY

In 1967, Gérard Bremond developed a completely innovative concept at Avoriaz: a car-free ski resort and an imitative architecture that reflected the natural décor of the mountains.

Now, more than ever, designing sites which fit in as much as possible with their natural and cultural environment both when they are built and throughout their operational life is an essential and determining component of the Pierre & Vacances-Center Parcs Group strategy. In a shared value-creation vision, the Group is not only working to reduce its environmental impact and be a long-term economic partner for local areas, but also to act as a responsible employer. It also seeks to develop meaningful projects which offer new experiences close to nature, providing a gateway to the local area. Sustainable development values are now at the heart of the work on the Group's two key projects, the Center Parcs at Domaine du Bois aux Daims in Vienne and Villages Nature, which are due to open in 2015 and 2016 respectively.

Priority areas for the financial year 2013/2014 were as follows:

- continue developing an offering of innovative tourist products respectful of ecosystems, focusing on the interaction between customers and nature;
- build on the policy of securing eco labels for the sites;
- meet the targets of the various operational departments, notably in terms of energy, water and waste management (as stipulated for the implementation of the BEST! action plan);
- improve the management of non-financial indicators (social and environmental).

Organisation

All Group business lines are helping to improve the corporate social responsibility approach within the company, both in the tourism business by involving all employees on the ground and by the work of the Support Departments (Maintenance, Renovations, Quality, Marketing, Purchasing, etc.) and the property development teams.

The Group's CSR strategy is defined by the CSR Department in cooperation with the Operational Departments. The CSR Department follows the implementation of action plans, supports the Departments when necessary and coordinates non-financial reporting. It also takes part in the thought-process for new products and services. The CSR Department reports to the Deputy Chief Executive Officer, a member of the Group's Executive Management Committee.

SOCIAL RESPONSIBILITY

Vision and ambition

Human Resources at the heart of the Group's a performance

Since it was founded in 1967, the Group has presented a specific business model: finance and market tourism property developments, some of them on a large scale (almost 1,000 beds in some Center Parcs), then oversee their operation. This unique know-how, acquired and transferred over the years within the Group, is a key part of its value and ensures the successful pursuit of its development.

The Group's diverse business lines have a shared objective: the satisfaction of customers – both internal and external. This satisfaction is one of the cornerstones of the human resources management policy.

To manage all of the human capital (employees represent the Group's second-largest item of expenditure), the Human Resources (HR) function has occupied a new place within the Group since September 2013: it is represented on the Executive Committee and the General Management Committee of each brand. This new positioning enables the Group to meet operational needs while being involved in discussions on business issues and future challenges.

After a period of restructuring and a transformation plan being rolled out in 2012/2013, the Human Resources Department (HRD) focused on two main areas in the 2013/2014 financial year: management of wage costs and the implementation of processes at Group level to support individual performance. The year also saw the reworking and strengthening of the HR team, to form a pan European department with the implementation of new expertise (remuneration and social benefits, legal), and the adoption of redefined working methods, for better joint effectiveness.

The efforts of the HR teams are focused on four priorities, which are directly connected to the Group's strategic vision: performance management, talent management, employment model and Group culture. Through these efforts, HR has defined and rolled out coordinated Group policies, reflecting the specific nature of each country and brand name.

About the company report

For the 2013/2014 financial year, unless specifically mentioned[6], the scope of the indicators includes all employees paid by the Group, for all businesses (property development or tourism) and brand names (Center Parcs, Sunparks, Pierre & Vacances, Maeva, Adagio, Les Senioriales). The data concerning Adagio employees outside France being collected and disclosed by the Accor Group (Adagio is a shared joint venture); they are excluded from the scope of the Group indicators. The same applies for employees of Pierre et Vacances Morocco. These exclusions only represent 1.7% of the total workforce. Social indicators also do not include temporary staff.

To make the Group's reporting processes more reliable, a pan European project team has been set up at Group level within the HR department. One of its tasks has been to coordinate the HR pilot projects in the countries where the Group is operating (France, Belgium, Germany, the Netherlands, Spain).

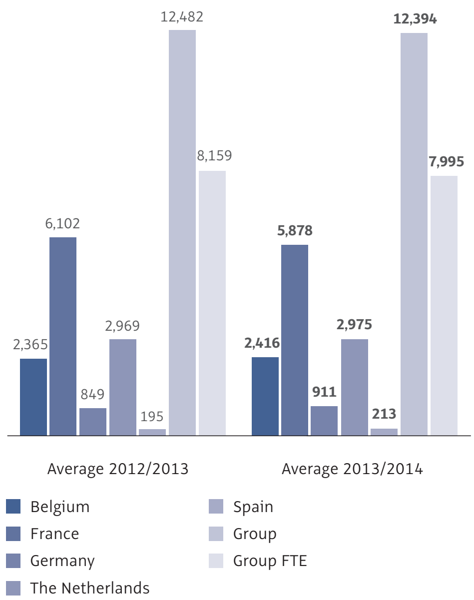
All social indicators in the Protocol have been reviewed in detail, improved if necessary and shared so that they can be implemented jointly. Improvements were made to the level of precision in the calculation methods used and in the definitions, particularly in terms of staff levels and absenteeism. New indicators have been included (annual headcount average and full time equivalent, number of employees recruited internally and externally, number of performance interviews, number of social dialogue meetings). Each stage (collection, consolidation, checking, qualitative analysis) has been optimised to make it more reliable. This improvement is pursued mainly via half-yearly reporting.

The various reporting stages have also been made more reliable: harmonisation of social data collection, simplification of their consolidation, checking and comparison with N-1 data.

Jobs

Average annual headcount by country and average annual Group headcount and full time equivalent

(New indicator)

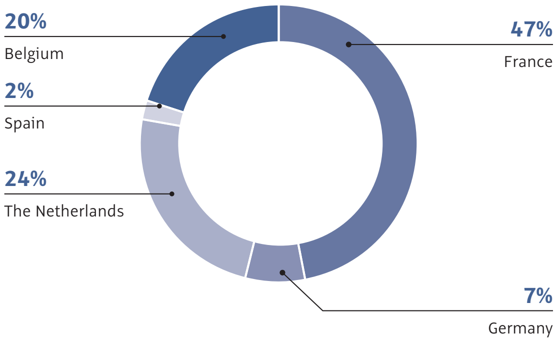


NB: In order to compare one financial year with another, employees from the 2012/2013 period have been recalculated using the same method as the employees for the 2013/2014 period.
Also, the data have been extrapolated over the last quarter of 2012 for Adagio and throughout the 2012/2013 financial year for Les Senioriales, due to the change in payment software for these two entities: increase in employees in January 2013 for the last quarter of 2012 for Adagio and increase in employees in September 2013 for the 2012/2013 financial year for Les Senioriales.

(6) When the data are not available or reliable according to the definition of the Group's reporting protocol, the scope may be restricted and the latter is then specified.

Breakdown of average employees by country

(New indicator)

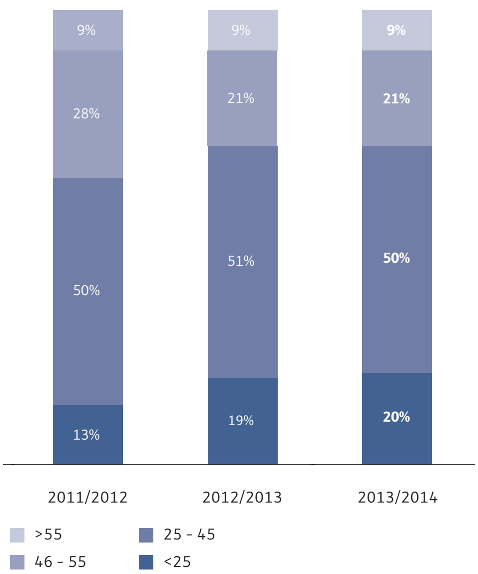


Employees at 30/09

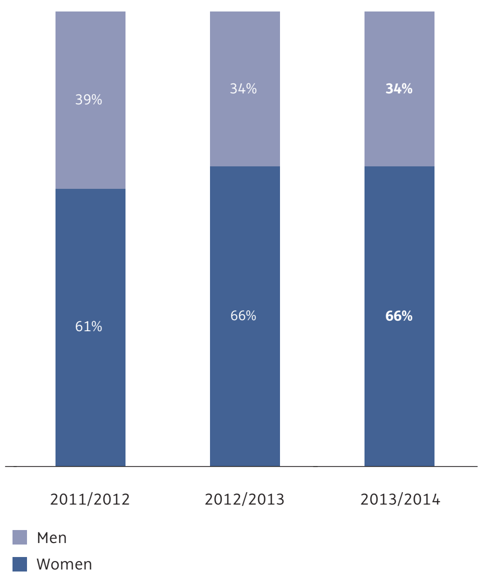
	2011/2012	2012/2013	2013/2014(1)
France	5,158	4,962	5,449
Belgium	2,490	2,535	2,522
Netherlands	2,994	2,963	3,004
Germany	822	926	936
Spain	231	223	272
TOTAL HEADCOUNT	**11,695**	**11,609**	**12,183**
TOTAL FULL TIME EQUIVALENT	**7,465**	**6,994**	**7,703**

(1) *The increase is mainly due to the change in the method of consolidating employees in France. In 2012/2013, the extraction from the pay tool on 30/09/2013 as a "photograph" of the employee status did not include most of the "extras", which were processed in the following month's pay run. From the 2013/2014 financial year and in order to improve the accounting methods, the history of the changes that could have been made after 30/09 has been included. Further, as the tourism business is less strong at the end of September than in August for example, introducing from this financial year the annual average employees presented above aims to better reflect their presence over the course of the year. Therefore Group employees present on 30/09/2014 are recognised.*

Breakdown of employees at 30/09 by age group



Breakdown of employees at 30/09 by gender



Group jobs

Group business lines are fully focused on customer satisfaction, in both the property development business and the tourism business.

The Group business lines are as follows:

- business lines relating to Tourism: reception, technical and safety, cleanliness, pool maintenance, management of control and operational sites, catering (although little represented, as most of this business is subcontracted);
- business functions and customer relations;
- the support business lines connected to safety, finance, sustainable development, purchasing, legal, human resources, IT, etc.;
- the business lines associated with property development: property development, marketing, property development management and owner relations.

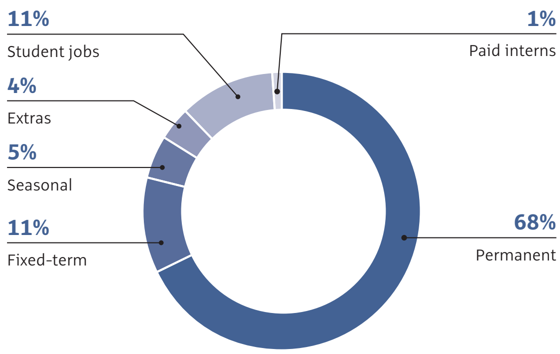
The Group's employment model

The specific nature of the tourism business (by nature seasonal and affected by school holidays), rapid changes in customer behaviour and expectations (growing proportion of Internet sales, last minute purchasing, of short stays, and arrivals on any day of the week) and the generally difficult European economic context necessarily requires our employment policy to be more flexible.

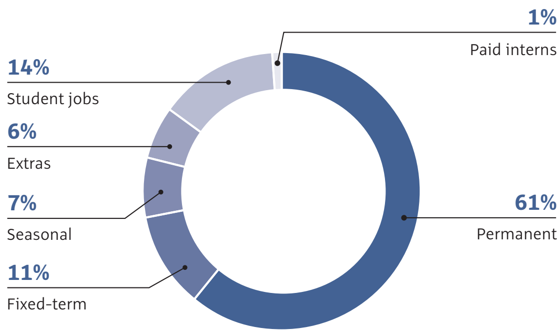
The use of certain adapted contracts (seasonal, extra, fixed-term, work-study contracts) reinforces permanent employees and provides the necessary flexibility to provide a quality service to customers. Seasonal contracts and extras are used for a limited period (summer/winter peaks) and in line with the statutory provisions in force in each country. Currently 39% of employees are on fixed-term, seasonal, extra and student job contracts (professional training contracts, apprenticeship contracts, or any other student contract according to the specific features of the country) and placements. The Group's tourism business allows it to provide access to young people looking for student jobs to work-study contracts or placements, by offering them adapted, interesting roles to boost their employability.

Breakdown of employees as at 30/09 by contract type

2012/2013(1)



2013/2014

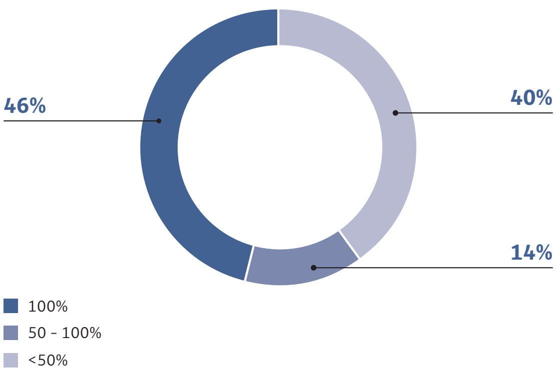


(1) *The breakdown of contracts in 2012/2013 has been recalculated using the 2013/2014 method, so that the two financial years can be compared.*

The organisation of working hours also enables us to meet the specific needs of tourism operations. Therefore, among the employees on permanent contracts, some of the positions are occupied on a part-time basis to meet departmental needs (cleaning for example). These employees have all of the same benefits granted to other Group employees. Also, most of them have other employers (individuals or legal entities), allowing them to supplement their working hours.

Compliance to the legal working times is a major concern for the Group. To ensure this, internal HR audits on the Pierre & Vacances site take place regularly and the timetables are produced and monitored by a HR specialist on the Center Parcs sites. Information on statutory rest periods is regularly sent to French managers to keep them informed of the statutory working time obligations.

Breakdown of employees at 30/09/2014 by rate of activity



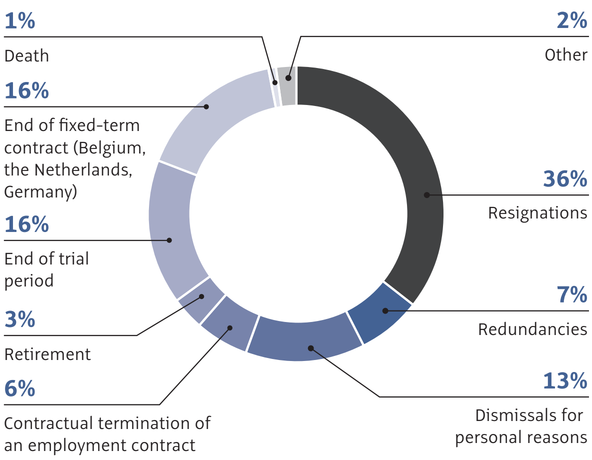
In terms of recruitment, an Employment Committee (at Group and local level) has been set up to consistently examine all permanent and fixed-term recruitment requests of over six months. Chaired by the Group's HR Director, this Committee meets every week (to meet operational needs) and examines these requests. This process has made all employees aware of the importance of proactive resource management, limiting automatic rehiring following the departure of employees on permanent contracts, and has given priority to internal candidates when recruiting. Therefore, in the year ended 30 September 2014, of 778 new hirings approved by the Group's employment committee, 31% were recruited internally, favouring the capitalisation of know-how, skills and mobility within the Group. For new employees, the Group's induction programme has been reviewed. Completing existing local processes, this onboarding programme is designed to better welcome new employees, provide them with all useful information on the Group, their team, working environment, daily life in the company and their HR contact person.

The Group's recruitment policy has resulted in a significant drop in turnover as a result of the reduction in departures and newcomers (linked directly to the growing proportion of internal recruitment).

Turnover	2011/2012	2012/2013	2013/2014
Number of new staff	2,624	1,911	1,383
Number of departures	2,579	1,906	1,748
Turnover	27%	18%	16%

Indicator calculated based on stable employees: Permanent (France and Spain), permanent and fixed-term (Belgium, the Netherlands, Germany), representing 81% of total employees over the year.
*Turnover: ((Number of departures of people + number of new arrivals)/2)/Workforce in stable positions over the period *100*

Breakdown of departures by reason (financial year 2013/2014)



Future projects which will create jobs

The Group has invested in new projects, the most important of which are the openings of Center Parcs at Domaine du Bois aux Daims in the Vienne departement (2015) and Villages Nature in Marne-la-Vallée (2016) in partnership with Euro Disney.

The Center Parcs at Domaine du Bois aux Daims will create 600 jobs when it opens. A dedicated team has been working on specific recruitment for this project for over a year. We have met 3,500 people at public meetings designed to explain, develop the project and attract new employees. The recruitment process will take place as part of a constructive partnership between public and private stakeholders. The recruitment campaign was launched in September 2014 for opening scheduled in June 2015. 5,000 applications, including 80 internal candidates, have already been interviewed.

Villages Nature will create 4,500 direct and indirect jobs at the end of the first project launch phase.

Developing employees for collective performance

The required flexibility of resources linked to the employment model generates a greater responsibility towards employee treatment, notably to limit job insecurity. Therefore, one of the HR Department's priorities is to proactively manage the career development of its employees within the Group.

A single performance evaluation interview process for the whole Group

The 2013/2014 financial year was an opportunity to rethink the whole employee performance evaluation process. A new single system for the whole Group has been rolled out. The approach aims to measure performance, analyse shortcomings and find solutions to overcome them, identify training needs and find out how employees want their careers to develop. Specific training sessions have been organised for managers so that they can familiarise themselves with this new process and use a shared language.

During the 2013/2014 financial year, 94% of target employees (permanent for France and Spain, permanent and fixed-term for Belgium, Germany and the Netherlands with a one year seniority requirement) had this performance interview. Coordinated and formal action plans have been implemented between HR and the various Departments to best meet employee needs.

Training

During the 2013/2014 financial year, the training policy was also reworked at Group level and will be fully rolled out during the 2014/2015 financial year.

It gives priority to the following training areas:

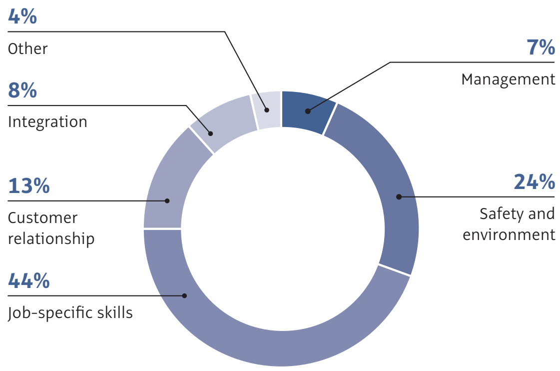
- Leadership and management: as ambassadors for the customer-oriented cultures, managers are at the heart of the success and the collective performance (150 trained during the 2013/2014 financial year);
- Safety and environment;
- Job-related techniques including sales techniques;
- Service approach in line with service quality.

Training	2011/2012(1)(2)	2012/2013(2)	2013/2014(3)
Total number of training hours	134,807	111,762	91,941
Average number of training hours per employee	Undisclosed	Undisclosed	14.5
Proportion of employees trained	56%	Undisclosed	51%
Share of women among trained employees	Undisclosed	Undisclosed	66%
Training budget	Undisclosed	Undisclosed	€3,186,669

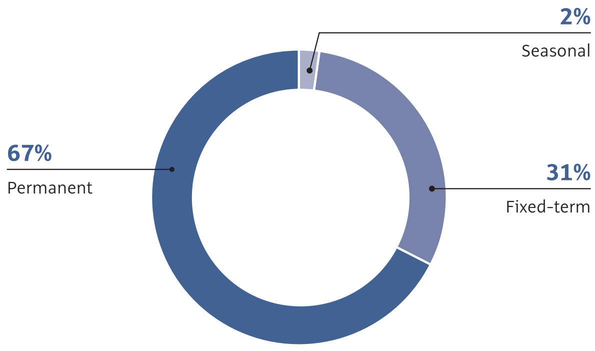
(1) Not including Spain.
(2) For France: only applies to training as part of the training plan which must last for at least seven hours for PV and Adagio, and four hours for Les Senioriales. For the other countries, all training sessions were counted irrespective of their duration.
(3) Recognition of all hours over all brands, irrespective of financing and roll-out procedures.

The 18% fall in the total number of training hours is due to the difficulty of rolling out training programmes during restructuring period and the necessary overhaul of the training programmes.

Breakdown of training hours by training area (2013/2014)



Breakdown of employees trained by contract type (2013/2014)



The management of talents to prepare for the future

In 2013/2014 the Group reflected upon a joint talent management policy.

Priority was placed on how to attract and integrate new employees with potential into the Group. As a result, a digital recruitment strategy was implemented, via social media. At the end of the 2013/2014 financial year, the Group had 16,367 followers on open recruitment sites (LinkedIn, Viadeo, Facebook and Twitter).

Many initiatives have also been launched and will be rolled out during the 2014/2015 financial year: development of relations with "target" higher education institutions, encouragement of internal mobility, succession plans at management level and for key positions, personal development programme with performance interview, etc.

Listen, communicate, open dialogue

Monitor employees' well-being

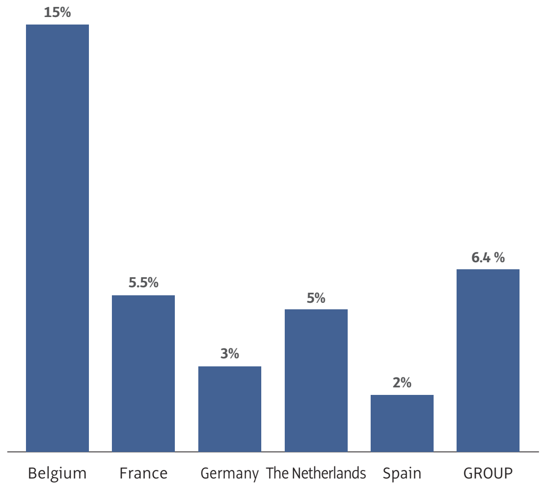
Employee well-being and commitment are of prime importance to the Pierre & Vacances-Center Parcs Group. The Group is convinced that customer satisfaction depends on employee satisfaction. Therefore, HR has been working to improve employees' well-being and increase their daily commitment in order to give optimum service quality to customers.

HR has updated an anonymous online survey, which is open to all employees who want to respond, to measure their well-being and commitment at work. These surveys cover general satisfaction and commitment, as well as customer service focus, integration, working conditions, training and development, internal communication and management. This survey, called Happy@work, offers a complete overview of employee satisfaction, and will be rolled out across the Group at the start of the 2014/2015 financial year.

Measuring absenteeism

Measuring absenteeism is also a key component in evaluating well-being. Major work has been done: an audit of absenteeism monitoring practices, the creation of a position dedicated to monitoring this indicator and a new definition of the shared calculation mode for all brands. Absenteeism therefore falls within the internal management strategic indicators.

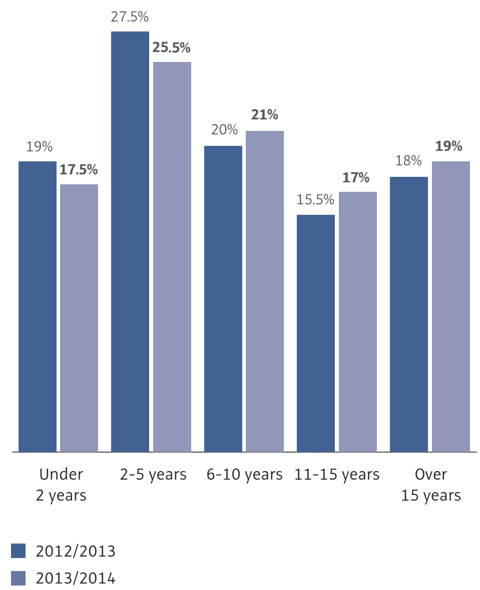
Rate of absenteeism (2013/2014)



NB: The rate of absenteeism is calculated based on calendar days of absence of employees in stable positions: Permanent (France and Spain), permanent and fixed-term (Belgium, the Netherlands, Germany), i.e. 81% of average total employees over the reporting period. It is obtained from the start and end dates of the absence period recorded in the pay tools and does not include the rate of employment (= number of days of absence/365 x number of stable positions over the period). Therefore, for Belgium, where 85% of employees work part-time, the calendar method leads to a high absenteeism rate, which does not correlate to actual working conditions.

Finally, an action plan proposal to prevent pyscho-social risks (PSR) and improve quality of life at work for the head office in Paris has been finalised and will be rolled out in 2014/2015 in partnership with occupational medicine and the trade unions and employers' organisations.

Breakdown of the employees present at 30/09/2014 by years of service



Indicator calculated based on stable employees: Permanent (France and Spain), Permanent and fixed-term (Belgium, the Netherlands, Germany), i.e. 71% of total employees at 30 September 2014.

Another indicator of well-being within the company is years of seniority: it reveals a certain loyalty, as just over a quarter of employees have been with the Group for at least 11 years, a stable rate compared with the previous financial year.

Recognition for the HR management strategy

For the 3rd consecutive year, Center Parcs in the Netherlands has received the national Top Employer award. Its initiatives and results in terms of training, development and business culture received particular praise. Working conditions and career management were also rated as very good. This recognition has come thanks to continuous effort by the teams, who are focused on excellence and innovation.

Internal communication which creates links

The Group's intranet has been overhauled. Now available in five languages, it allows employees to access strategic Group information at any time, facilitates understanding of each employee's business lines and makes communication between teams more fluid.

Also, several initiatives have been implemented on a local scale to encourage sharing and exchange: presentation of new products at the head office, Job Rotation on Center Parcs sites, Staff Day, Cleaning Day and Seniors Day at the Center Parcs sites, Innovation Days at Pierre & Vacances, etc. At the European level, several sporting competitions have been organised: European online football tournament to mark the World Cup and Sports Day.

Employee relations and collective agreements

The Group respects freedom of association and the right to collective negociation. Almost 700 meetings have been organised with staff representatives via the Group during the 2013/2014 financial year. The Group encourages constant social dialogue and constructive exchange, to ensure quality relations. The staff representatives are regularly informed, consulted and involved in the main decisions taken.

The Group works with staff representatives in every European country where it is present and adheres to national labour legislation. A European Enterprise Committee (CEE) has been implemented at Group level for the last few years. It meets at least twice a year. Each European country where the Group is operating is represented within this committee.

List of agreements and action plans

Agreements	Scope	Year of signature	Duration of validity
Hardship at work(1)	PV France and Adagio France	2012	3 years as of 01/01/2012
Psychosocial risks(1)	France (excluding Les Senioriales)	2010	Method agreement
Employee profit-sharing	France (excluding Les Senioriales)	2012	Unspecified
Teleworking	Support services	2008	Unspecified
GPEC (including the intergenerational aspect)	France (excluding Les Senioriales)	Currently being negotiated	
Organisation of working time	France (excluding Les Senioriales)	2000	Unspecified
Gender equality	France (excluding Les Senioriales)	2011	Unspecified
Disability	France	2010	3 years as of 01/01/2012

(1) Action plan.

Finally, the Group complies with the International Labour Organization (ILO) standards on employment (including the ban on forced labour and child labour). With the exception of Morocco (nine employees), the Group – excluding Adagio – only operates within the European Union, where employment regulations are well developed, via democratic parliamentary systems. Also, social audits are performed on "direct" suppliers in countries identified as high risk, such as China for example, to ensure that they adhere to international employment law standards (cf. "Responsible purchasing policy" section).

Provide a safe working environment

Safety is a major concern for the Group, and it is managed jointly by the Human Resources and Operational Risk Departments. The appointment of a dedicated employee to monitor workplace accidents and update workplace accident monitoring processes in France has made indicators on the frequency and severity of workplace accidents more reliable.

Safety(1)	2011/2012	2012/2013	2013/2014
Frequency rate of workplace accidents(2)	37(4)	37(4)	34
Severity rate of accidents(3)	2.4(4)	1.2(4)	1.1

(1) All contract types excluding "extras".
(2) Number of accidents resulting in inability to work for at least 24 hours, counted on average by our employees over the reporting period, per million working hours.
(3) Number of days of temporary incapacity per 1,000 hours of work, for accidents followed by lost time of at least 24 hours.
(4) Not including Spain.

The work of the Operational Risks Department concentrated on the following over the 2013/2014 financial year:

- for Center Parcs and Sunparks: Audit on bowling facilities to reduce employee accidents in maintenance areas, and implementation of preventive and corrective actions;
- for Pierre & Vacances: training of all site managers, area managers and technical managers on fire extinguishers, defibrillators and work station evaluation.

The Operational Risk Department, which is responsible for preventing risks, has been working to roll out a new risk analysis tool in partnership with the HR department. Completion is due in 2015.

Another project has also been started with HR about work hardship factors in France: an analysis has been performed, in partnership with an outside company, to identify situations and positions with hardship factors on the various sites. An action plan is being implemented and will continue in the 2014/2015 financial year.

Monitoring of work-related illnesses has been in place since September 2014 with the initial aim of securing an overview of the situation in France, and then at Group level.

Diversity and equal opportunity

Working towards a transparent and fair remuneration policy

As part of the reorganisation of the HR function, the Remuneration and Employee Benefits function was created to optimise remuneration policy across the whole Group. Remuneration and employee benefits are thus considered as essential business drivers, helping to attract employees and boosting employee career development.

During the 2013/2014 financial year, the Group's employee expenses were €313,232 thousand, an increase of €2,573 thousand over the 2013/2014 financial year. This amount included the recognition of accrued income of €4,799 thousand corresponding to the competitiveness and employment tax credit (CICE), compared with €2,856 thousand in the past financial year.

Diversity and equal opportunity at work

The Group is committed to diversity and equal opportunities.

Recruitment methods which give everyone a chance

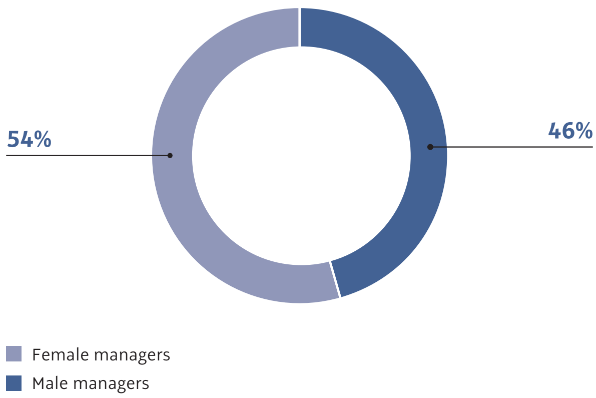
To fight discrimination and improve fairness among candidates, job simulation recruitment methods have been implemented in partnership with job centres to recruit the vast majority of future employees (housekeeping, reception and catering) for the Center Parcs in Vienne. This method evaluates the suitability for a position using specific roleplay situations instead of professional experience and diplomas.

Professional equality between men and women

In February 2013, an agreement on gender equality in the work place was signed for all entities in France.

The proportion of female employees has remained stable in recent years, at 66%.

Proportion of women in management positions at 30/09/2014



The proportion of part-time positions occupied by women is 79%, stable compared with the previous financial year, when it was 80% (2012/2013 figure recalculated using the model from 2013/2014).

52% of women received at least one training course during the 2013/2014 financial year, completely equal to the percentage of male employees trained. Also, women account for 66% of all employees trained (in proportion to their representation among Group employees).

Integration of employees with disabilities

Since 2005, the Group has been actively committed to implementing specific actions to promote the employment and long-term workplace integration of workers with disabilities. This social approach, initially manifested in collective agreements, has been even more strongly consolidated in 2012 with the implementation in France of a three-year Group disability agreement. The Disability taskforce has since then developed a voluntary and ambitious policy to streamline its practices. Covering the different scopes and brands in France, a dedicated team has rolled out its information and awareness-raising initiatives, but has also found solutions to the problems encountered by the various entities.

The results for the 2013/2014 financial year reveal an 11% increase compared with the previous financial year in the number of employees with disabilities in France. These actions to help keep disabled employees in work (e.g. by adapting the working environment, etc.) and recruitment initiatives have enabled the results achieved in previous years to remain at the same level, despite a difficult economic environment. In addition, the development of the partnership with an handiskier athlete and the successful theatre play "Un tout petit handicap" performed on a Pierre & Vacances site, are examples of the successful awareness-raising actions implemented during this financial year. The results were thanks to the involvement of employees from various departments, centralised management and the complete backing of the Group's Executive Management.

Disability(1)	2012/2013	2013/2014
Proportion of employees recognised as disabled	1%	2%
Number of employees with disabilities during the year	164	183
Number of employees recognised as disabled workers recruited during the year	36	34
Number of adaptations of the working environment for employees with disabilities	8(2)	11

(1) France only.
(2) The figure published in 2012/2013 has been recalculated to take into account the new definition of the indicator.

ENVIRONMENTAL RESPONSIBILITY

Property development business

Challenges facing construction

In recent years, the Group has developed real know-how in the design and building of development projects which have a smaller environmental impact (optimising soil artificialisation, preliminary biodiversity surveys, energy performance of the buildings, choice of construction methods with a focus on wood, etc.). This expertise applies to all stages of a project: choice of site, pre-development survey, definition of ground plans, architectural design, technical choices, selection of suppliers and companies to build and manage the project.

For all the Group's projects, specific environmental performance commitments are made under an agreement with French local authorities and form an integral part of the specifications. They are rolled out via steering tools, such as the "Green building" charter, which is in place for all new projects. This ensures that soil pollution, water pollution and water and energy use are limited, as well as disturbances and risks to workers and locals (such as noise), optimised waste management.

Further, obtaining High Environmental Quality (*Haute Qualité Environnementale* – HQE) certification or equivalent is a mark of quality and helps the projects to be accepted locally and in securing finance.

Center Parcs Domaine du Bois aux Daims

The Center Parcs Domaine du Bois aux Daims in Vienne has been designed and built according to a specific environmental action plan subject not only to the HQE certification requirements, but also to the commitments taken to maintain the site's hydrographic balance, preserve wetlands and protected species. As far as the environment is concerned, the priority areas are the energy performance of the buildings, renewable energy, water management, biodiversity preservation and the "Green building" initiative.

The main measurements used are as follows:

- attainment of energy performance level BBC-RT2005 for the main structures (cottages, seminar areas, leisure areas, farm, employee offices); integration of bioclimatic design principles when designing collective buildings which, for example, use natural ventilation and reduce the need for mechanical systems; measures to significantly reduce energy waste such as storing bathing water from external pools at night;
- installation of 3,000 m^2 of solar panels covering the car park roof, with an annual production potential of around 420 MWh of electricity. Further, the heat requirements of the central facilities and accommodation will be eventually covered by gas from a methanisation unit. This project, which is to be installed near the Site, is managed by the French local authorities and has the Group's backing;
- the hydrographic balance will be maintained via the fitting of landscaped structures and ditches to help the infiltration of rainwater; consumption of drinking water will be reduced by using water-saving systems in all kitchens and toilets and also by using an inverse osmosis system for Aquamundo (33% reduction in the amount of water needed to renew bathing water);

- the waste management policy applied to the project from the initial stages: implementation of a "Green building" charter, one of the objectives of which is to sort and recover waste. The overall reuse rate since the start of the work was 97.5% for non-dangerous central-building construction waste, and 92.7% for cottages;
- the preservation of ecosystems, included from the initial development phases: survey of protected species, adaptation of the ground plan according to the site's environmental sensitivity, minimisation of forest clearance and compensation, preservation of a sanctuary area of 60 hectares to the south, allowing the watercourse which flows through the site to follow its natural course, creation of ponds and diversification of natural habitats, fitting nesting boxes, design of a landscaping project which encourages biodiversity, implementation of a forestry and ecological management plan, etc. This in-depth work has been conducted with the help of a company specialised in ecological engineering and in partnership with local nature protection associations (Vienne Nature and the LPO Vienne).

This overall environmental approach has been awarded the "NF Tertiary Buildings – HQE certification" – at "HQE very good" level, obtained last March for the programme and design phases of the Centre Village, Cottages and the children's farm.

In addition to the specific actions to reduce the Site's environmental footprint during the building phase, the Bois aux Daims site will give visitors a new experience, being completely immersed in the animal world during their stay, and having the opportunity to discover forest wildlife and the importance of preserving it.

Villages Nature

2014 was a transition year for the Villages Nature project, developed in partnership with Euro Disney. The signature of financing agreements for the first tranche of phase 1 in May (916 accommodation units and most of the leisure facilities, including the Aqualagon) has enabled the first calls for tender to be launched (in November 2014: around 85% of the contract works having been allocated) and the site development work to be started. The site is due to open in 2016.

The sustainable development work follows the One Plan Living methodology with an action plan (defined around ten targets) approved by the Bioregional cabinet. Villages Nature was also one of the first private projects to be accredited by the United Nations Environment Programme as part of the Global Partnership for Sustainable Tourism.

The result of the first audit for the HQE certification of the programme and design phases conducted during summer 2014 is very encouraging. The strong points of the operation include the involvement of the design team, made up of many specialists, and the inclusion of sustainable development objectives in the architectural project. This has the following key features: integration of the project into the surrounding environment and access to daylight, optimisation of water resources (recycling of water from ponds, processing of some used water via filtering gardens, retrieval of rainwater to cover certain uses such as toilets), use of wood for the structure, frame and roofing and the screen. Also, energy performance optimisation by advanced modelling during the survey phase has made it possible to exactly determine the energy use of buildings to optimise them.

Renewable energy sources have been favoured: geothermal energy covers 100% of the Site's heat requirements (under normal circumstances) and photovoltaic panels will be installed on the façade of the "*Pavillon de l'Air*" building.

The Group's CSR approach, in the building phase, also seeks to maximise the economic effects in the local area by using local companies and labour for the projects (see Chapter "Local economic growth").

Certifications

As outlined previously, large-scale projects aim for exemplary environmental and energy performance. But this also applies to smaller projects, as shown in the table below.

Projects delivered in 2013/2014	Brand name	Number of units	Certification awarded or pending
Roquebrune	Pierre & Vacances	70	BBC
Trois Forêts (hamlet N, O and P)	Center Parcs	59	HQE and HPE (BBC 2005)
Paris/Reuilly	Adagio access	113	BBC
La Celle	Les Senioriales	47	THPE
Marseille St Loup	Les Senioriales	89	BBC
Pringy	Les Senioriales	68	BBC
Bracieux	Les Senioriales	48	none
Charleval	Les Senioriales	65	THPE
Mions	Les Senioriales	78	BBC
Izon	Les Senioriales	55	BBC

Scope: operations delivered in France for which project management can be internal or external.

93% of accommodation units delivered during the 2013/2014 period have been certified or are pending BBC certification (low consumption building), THPE (very high energy performance) or HQE.

Operating activity

Tourism challenges

The Group is constantly increasing its efforts to reduce its impact on the environment during the operational phase of its sites. Ensuring optimum monitoring and management of energy and water use and waste production, and implementing measures to preserve biodiversity are priority areas.

According to its business model, the Group manages all or some of the accommodation of the residences or sites it operates, totalling 47,801 apartments and cottages at 30/09/2014 over all brand names. Unlike a property portfolio in which each accommodation unit is held by individual owners, on sites managed by the Group, water and energy use are monitored centrally: for each site, for each region and for each brand. This vision, which is both detailed and general, makes it possible to identify for each scope the actions to be implemented to optimise consumption (awareness-raising among teams, roll-out of management tools, proposal of investments to submit to co-owner assemblies, etc.).

Management

Internal BEST! management system

To manage the environmental performance of the sites operated by the Group, the CSR department implemented the BEST!, Be Environmentally and Socially Tremendous!, system in 2010, based on the "PDCA" principles (Plan, Do, Control, Act). It is a yearly self evaluation performed by site Managers on 16 priority areas of the tourism business (management of water and energy use, waste recycling and reduction, separate management of green spaces, sourcing of environmentally responsible products, communication, etc). For each area, the site's performance is rated on a scale of 0 to 5, allowing to compare from one year to another within the scope. This evaluation questionnaire also allows site Managers and their teams to set their yearly action plan. Best! also acts as an environmental management tool for the ISO 14001 certification of Center Parcs: the self-evaluation responses and the monitoring of the action plan are checked by the Group's "ISO coordinator". Best! gives the CSR department and the Operations management a yearly overview of the site performances to manage the priorities for each brand name and an overview of good practice on the sites.

Result and objectives of the 2013/2014 campaign

The BEST! campaign 2013/2014 had a response rate of 78% (255 sites out of 325, across all brand names, including Maeva Multi), lower compared to the previous campaign (95%), mostly due to the reorganisation of the management of Pierre & Vacances sites. Discussions on simplifying the questionnaire have begun and will continue in the 2014/2015 financial year.

There was an improvement in the average score for each of the 16 priority areas at constant scope (i.e. 241 sites).

- **For Pierre & Vacances France (PV France) – 54% of respondents:** the objectives set over the four priority areas for the financial year (energy and water management, waste recycling and reduction and raising awareness among customers) were reached for the first two priority areas.
- **For Pierre & Vacances Spain – 7% of respondents:** the objectives – identical to those of PV France with a less demanding performance level – have been reached for all the priority areas except awareness raising among customers.
- **For Adagio – 30% of respondents:** the objectives set for the two ranges of Aparthotels Adagio and Access on energy and water management, waste recycling and reduction and raising awareness among employees and customers were reached.
- **For CP Europe – 9% of respondents:** out of customer awareness, waste management, management of refrigeration equipment and saving water, the targets for the first three were met.

A link between BEST! performance and external certification has been proven. The scores of Pierre & Vacances sites with the Green key certification are equal to or better in 15 areas than the average scores of all Pierre & Vacances sites. Adagio Aparthotels with the European Ecolabel scored the same or better in 14 areas compared with the average scores of all Adagio sites.

Informing teams and awareness-raising

Five newsletters on priority areas for the year (energy management, waste management, etc.) have been sent this year to the site managers to raise awareness and help them to make progress in these areas.

Employees also have access to a dedicated BEST! area on the Group's intranet which brings together the questionnaire, explanatory support sheets and procedures.

Eco-labels and environmental certifications

Since 1999, the Group has been committed to ISO 14001 certification for its Center Parcs sites and since 2010 it has been working towards Green key certification for some Maeva and Pierre & Vacances residences, and towards the European Ecolabel for the Adagio Aparthotels. To date, 23% of the holiday residence portfolio has an environmental certification or eco label, i.e. 25% at constant scope compared with 24% in 2012/2013.

These labels and certifications bear witness to the actions implemented by the sites to limit their environmental impact. Accreditation by an external third party is a clear and credible tool for communicating with customers. Although some labels are not yet well-known among customers (31% of Adagio customers questioned were familiar with the European Ecolabel), the sustainable development approach is a criteria of choice for 30% of them and a sign of quality for 79% (source: customer satisfaction questionnaire, 2013/2014).

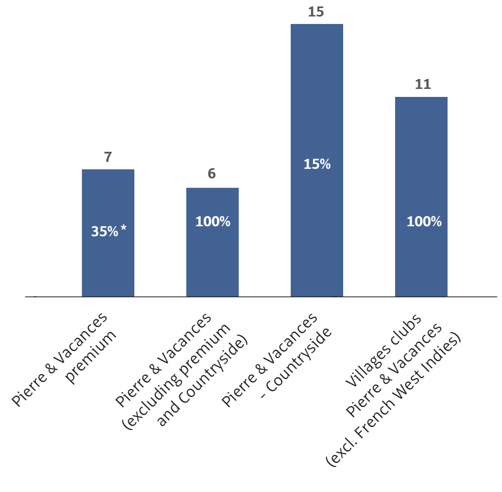
Labels and certifications are also a good way of involving teams in a strategy to improve environmental performance on their site.

In 2013/2014, the certification approach progressed on each of the brands:

- **the Green key certification:**

A brand strategy has been adopted to improve the readability of the certification: certification of all premium Pierre & Vacances residences by 2018, maintain certification on 100% of the Pierre & Vacances villages clubs in mainland France, of Pierre & Vacances residences which already have certification (100% of "countryside" residences), and on 100% of the Center Parcs France sites. Three sites also left the certification scheme. In 2014, the Green key certification was renewed by the Green key jury for 2015, bringing the number of certified Pierre & Vacances, Maeva and Center Parcs France residences to 46.

Residences awarded the Green key label in 2014



* 2018 objectives: 100%

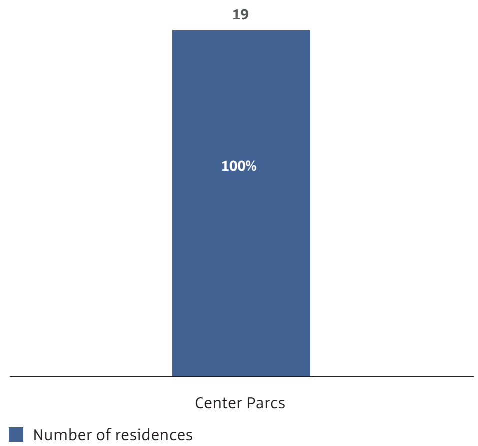
European Ecolabel:

17 Adagio brand sites are European Ecolabel certified – Tourist accommodation services. Four new sites will apply for the certification, bringing the proportion of certified Adagio France aparthotels to 60% by 2015.

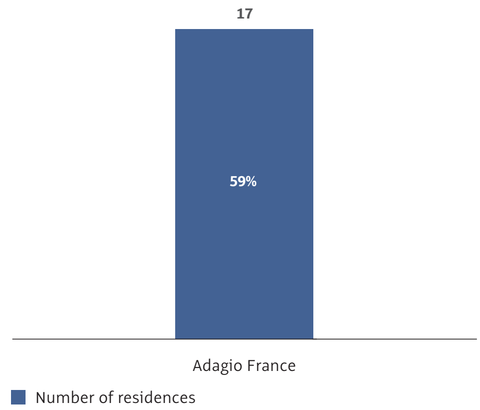
- **ISO 14001 certification:**

19 Center Parcs, i.e. 100% of the sites, are certified. This financial year saw the certification of the Bostalsee site (Germany) after its opening in July 2013 and the renewal audit for the other 18 properties. ISO 14001 certification for all sites has been renewed until July 2017. Further, control audits for a third of the sites are performed every year.

ISO 14001 sites in 2014



Sites having the European Ecolabel certification in 2014



In 2014, Trip Advisor awarded "Green Partner" status to 11 sites and "Green Leader" status to 23 sites (one gold and the other platinum).

Sustainable use of water and energy resources

Management

Water and energy use is managed within the Maintenance departments of each brand.

For PV France and Adagio (233 sites)

Work to improve the ICARE tool (internal resource consumption management tool) was carried out during the 2013/2014 financial year. A dedicated team was assembled to manage this tool. It performs budgetary reconciliation, matches the data reported against the data on the invoices when major discrepancies are noted, sends alerts every month to regional maintenance managers in the event of abnormal changes, analyses comments from sites explaining changes in resource use and organises awareness-raising meetings with the technical departments.

For the heaviest users of electricity, a contract was signed with EDF to obtain automatic readings and alerts when the capacities subscribed to are exceeded.

Close management of water consumption for PV France

To obtain a clear idea of the real cost of water based on the volumes used, in-depth work has been taking place to survey all general water meters (with the addition of many sub-meters) and match them to their suppliers and rates. This resulted in 72% of the base rate being updated (compared with 12% in 2013), with the rest of the meters being managed by external syndicates. The ICARE tool now makes it possible to automatically generate the real cost of water depending on the volumes used, improving the level of control jointly by the maintenance team and the financial controler.

Therefore, it was possible to conduct a study on the actual proportion of use due to the Group's activity.

Out of 834 meters:

- 148 meters are directly managed by the Group (18%);
- 548 meters are managed by jointly-owned entities internal to the Group (such as Sogire) (66%);

- 138 meters are managed by external jointly-owned entities (16%).

Further, all internal procedures and awareness-raising resources on energy management have been uploaded to the intranet, for the attention of on-site teams.

For PV Spain (25 sites)

Each site monitors its monthly resource use. The manager of the Maintenance department Manager for Spain consolidates the volumes for each site in an Excel spreadsheet, calculates the volume per week of occupancy and makes comparisons with data from the previous financial year. Also, the management has been supported with actions to raise awareness among operational teams on optimising the use of air conditioning, and technical choices to encourage lower energy use (window films, LED bulbs, etc.).

For CP Europe (23 sites)

Monitoring takes place via an Excel spreadsheet which combines budgets with a calculation of year N data according to occupancy and the weather compared with year N-1. The Eview tele statement tool can be used with some meters, to give automatic meter reading data.

Summary of water and energy use

As a result of the work done this year to fine-tune the management of water and energy use within PV Europe, the Group is now able to separate water and energy consumption for which it is responsible, and that over which it has no influence (i.e. consumption for which co-owners without a management contract with the Group are responsible). As a result, from this financial year 2013/2014 onwards, the concept of "volume managed by the Group" is included, calculated according to the shares held by the Group for each site. For this period of transition, to facilitate comparisons with previous financial years, the overall volume (figure 1) is given, as well as the volume managed exclusively by the Group (figure 2).

For the whole scope, the volumes of water and energy consumed come from monthly meter readings or records of the amounts delivered.

Figure 1

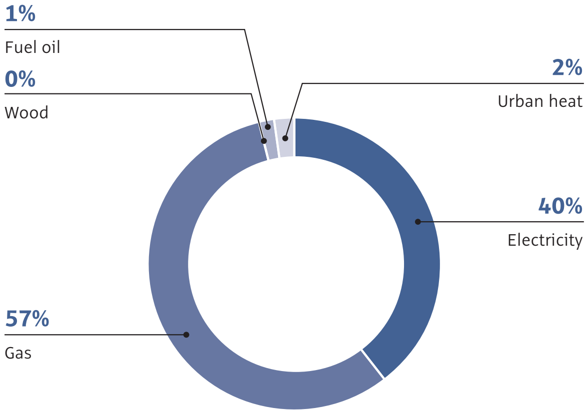
	CP Europe			PV Europe			Group(1)	Group(2)	Group(3)
Total volume of water and energy used by the sites	2011/2012	2012/2013	2013/2014	2011/2012	2012/2013	2013/2014	2011/2012	2012/2013	2013/2014
Number of sites included in the scope:	21	23	23	218	263	258	239	286	281
TOTAL WATER (M^3)	**3,067,646**	**3,117,446**	**3,076,464**	**3,468,467**	**3,203,854** (5)	**3,216,787**	**6,536,113**	**6,321,300**	**6,293,252**
Volume of water (m^3)/week of occupancy(4)	6.55	6.22	5.85	5.03	3.87	3.85	5.50	4.75	4.62
TOTAL ENERGY (IN MWH)	**634,592**	**670,326**	**586,342**	**228,509**	**257,316**	**249,587**	**863,101**	**927,642**	**835,929**
Volume of energy (kWh)/week of occupancy(4)	1,354	1,337	1,115	332	311	299	726	698	614

Figure 2

	CP Europe	PV Europe	Group(3)
Total volume of water and energy used by the sites, managed by the Group	2013/2014	2013/2014	2013/2014
Number of sites included in the scope:	23	258	281
TOTAL WATER (M^3)	**3,076,464**	**2,673,581**	**5,750,045**
Volume of water (m^3)/week of occupancy(4)	5.85	3.20	4.22
TOTAL ENERGY (IN MWH)	**586,342**	**211,146**	**797,488**
Volume of energy (kWh)/week of occupancy(4)	1,115	253	586

(1) In 2011/2012, the following were not included: the Nordseeküste Center Parcs, the Adagio access sites and some Adagio sites, i.e. 3% of the Group's total accommodation.
(2) In 2012/2013 some Adagio sites were not included, mainly those outside France, i.e. 2.2% of the Group's total accommodation capacity (compared with the less than 1% published in 2012/2013 but corrected).
(3) In 2013/2014, some Adagio sites were still excluded, especially those outside France, i.e., 1.2% of the Group's total accommodation capacity (in number of beds).
(4) Week of occupancy: one week's stay, irrespective of the number of people and the type of apartment or cottage.
(5) Corrected since the 2012/2013 version.

Breakdown of the volume of energy managed by the Group by energy type (2013/2014)



The consolidated data show that, although the Group's total accommodation capacity has decreased (both in terms of the number of sites managed and the number of beds), energy and water use are not decreasing in the same proportions. This is because the Group is still responsible for running communal facilities, such as lighting in communal areas, the watering of green spaces and the management of swimming pools, even though the number of apartments being managed is decreasing.

The ratio of water and energy volumes is calculated per occupancy week for CP Europe (Figures 1 & 2) in order to consolidate the Group data. However, the ratio used for the management within this scope is the volume of water or energy per overnight stay. During the 2013/2014 financial year, there has been a 17% drop in the amount of energy used per overnight stay (i.e. 36.82 kWh per overnight stay in 2013/2014 compared with 44.24 kWh per overnight stay in 2012/2013), partly due to the mild winter and 6% of the water volume used per overnight stay (i.e. 193 litres per overnight stay in 2013/2014 compared with 206 litres per overnight stay in 2012/2013).

A study on the Center Parcs Trois Forêts site in Moselle showed the optimisation of water management on the site. Water consumption on this site is 90 litres on average per overnight stay[7], lower than the consumption of French people at home (137 litres per person per day[8]). It amounts to 180 litres on average per overnight stay[9] including consumption by all site facilities (restaurant, watering, waterparks, sauna, etc.). Water consumption by all waterpark pools is 50 litres per day per bather on the same site[9], which is also below the average municipal pool consumption of 100 litres (source: EDF – ANDES Guide, June 2012) to 200 litres (source: *Conseil Général de Gironde*). This good performance was achieved thanks to optimum water use management and the use of facilities which allows water to be recycled (using the reverse osmosis method).

Local constraints

Work to identify water risks was carried out in June 2014 using the World Resources Institute (WRI) Aqueduct tool. The Group's operational areas were mapped out in relation to physical risks in terms of quantity. It identified those sites located in the most vulnerable areas (the level of vulnerability is measured on a scale from 1 to 5). One site is located in a level 5 vulnerability area, and 17 sites (located in Spain, Belgium, Martinique and mainland France) are located in a level 4 vulnerability area. Further, if only water stress is taken into account, 14 sites (10 of which are in Spain) are located in level 5 areas. An inventory of on-site water-saving facilities has been implemented in the first instance with a view to forming a specific action plan for sites located in the most sensitive areas.

Use of renewable energy

When building new sites, the Group favours the use of renewable energy sources. At the Trois Forêts Center Parcs in Moselle, a combined wood-gas heating system covers over 80% of the heating needs of the communal facilities. In Avoriaz, during the extension in 2012, the Group supported the introduction of wood into the resort's energy mix, opting for a combined wood-electricity heating system for all new buildings and the Aquariaz water park.

As for the Bois aux Daims Center Parcs in Vienne, a methanisation unit project led by the local authorities and backed by the Group is being developed. Biogas would cover 100% of the site's heating requirements.

Waste management

Waste is generated by the activity of the operational teams and by customers. So that waste can be recovered, efforts are made to implement facilities allowing customers to separate their rubbish during their stay: 97% of the sites which responded (source BEST! – i.e. 227 sites out of 234) said that they encouraged their customers to sort their rubbish by providing the relevant containers and via communication initiatives.

Waste volumes are monitored and managed only for Center Parcs Europe sites (representing 48% of the Group's Tourism revenue), which work with private service providers for the removal and processing of their operational waste.

Waste production	2012/2013	2013/2014
Number of sites included in the scope	23	23
Total volume of waste produced (tonnes)	14,410	15,597
Ratio volume of waste produced per overnight stay (kg/night)	0.95	0.98
Total volume of waste sorted (glass, paper, green waste, etc.)	4,222	4,448
Recycling rate	29.30%	28.50%

Scope: all Center Parcs and Sunparks in France, Belgium, the Netherlands and Germany.

(7) Data from total use on a representative sample of cottages, since the site opened in 2010.

(8) C.I.E water survey 2006 – source – *l'eau du robinet dans notre quotidien* – Eau France/General public water information service.

(9) Data from the 2013/2014 financial year.

The increase in the total amount of waste is proportional to the number of overnight stays during the 2013/2014 financial year, the ratio of waste generated per overnight stay remaining stable. However, the average recycling rate has fallen over the financial year. This drop is mainly due to two German sites, in which a specific action plan will be rolled out in 2014/2015. Furthermore, a third of the sites – over all countries – have a recycling rate of over 30%.

For the Pierre & Vacances and Adagio sites, non-dangerous waste is removed by local council services, which do not weigh the containers before emptying them. Sites take specific waste to collection points or use dedicated environmental organisations. In France, the framework agreement signed in July 2013 with Eco-systèmes has enabled 29.5 tonnes (sites and head office) of electronic waste to be collected during the 2013/2014 financial year, compared with 2 tonnes during the previous financial year (in the final quarter only). Further, 18.5 tonnes of used furniture has been collected (sites and head office) by Valdelia. A Group framework agreement will be drawn up in 2015 to make it easier for each residence to use the services provided by this environmental body. Also, customers have the option to have their used batteries collected at the reception areas in 85% of the Group's sites (source Best! 2013/2014). Finally, 1,067 kg of used ink cartridges were collected at head office over the 2013/2014 financial year (compared with 781 kg in 2012/2013).

Climate change

According to the survey of greenhouse gas emissions generated by the tourism business in 2008 using the carbon footprint® methodology, transport (customers and employees) is the largest source of emissions, followed by purchasing (90% for food) and fossil fuels consumption. Customer transport accounts for almost three quarters of the company's emissions; but by virtue of the Group's concept, which is based on local tourism, all sites are located close to European cities (two to three hours). The Group's action mainly focuses on travel at the time of the stay (excursions, shuttles to the beach, etc.). In 2013/20014, 36% of sites (source BEST! – 93 sites) say that they offer a car-sharing scheme to their customers for excursions and 26% (67 sites) offer a bicycle hire service.

As regards employee journeys, the Group has a business travel policy, led by the General Services Department. For the 2013/2014 financial year, CO_2 emissions from train journeys increased by 23% and those from plane journeys increased by 7%, due to new projects in France and internationally. Emissions caused by car hire fell by 12% (Group scope, excluding PV Spain, CP Europe and Les Senioriales).

To reduce the food impact, efforts have been made to source local, organically-farmed produce for inclusion on menus and at breakfast, and to ensure that customers are aware of this. According to the BEST! campaign for 2013/2014, 40% and 53% (out of 132 sites with catering services which responded) said that they offered this type of product.

Finally, the management of fossil fuel consumption is directly linked to the Group's efforts to drive down its CO_2 emissions. As described in the "Sustainable use of water and energy resources" section, dedicated bodies support on-site teams, helping them to manage energy use: management of key indicators, feasibility study for projects aimed at improving energy efficiency, etc.

Also, the Group has a voluntary approach to source electricity from suppliers ensuring 100% renewable sources for the Netherlands and Belgium and 40% for Germany.

The Adagio aparthotels with the European Ecolabel compensate 50% of their consumptions by purchasing Green Certificates.

	CP Europe			PV Europe			Group		
Volume of CO_2 emissions caused by Group energy use	2011/2012	2012/2013	**2013/2014**	2011/2012	2012/2013	**2013/2014**	2011/2012	2012/2013	**2013/2014**
Number of sites included in the scope	21	23	23	218	263	258	239	286	281
GHG emissions (in tonnes of CO_2e)	149,298	157,744	143,318	25,940	33,954	34,281	175,238	191,698	177,600

Scope identical to the energy use scope.

As the Group's total energy use fell during the 2013/2014 financial year compared with the previous financial year, greenhouse gas emissions also fell.

Biodiversity management

The natural capital of the sites is a major asset for the Group, as it contributes to their attractiveness. 81% of sites have green spaces – of all sizes (i.e. 183 sites out of 225 which responded to BEST! 2013/2014). The main priorities in terms of biodiversity are to adapt to the ecological context and changes in the regulatory environment of the sites (presence of protected species, ecological corridors, etc.); and to balance the tourism business with the preservation of existing flora and fauna. In-depth work to minimise the impact (according to the "avoid, reduce, compensate" approach) is also implemented for new projects.

For operational sites, a separate management approach for green spaces and nature was begun in 2008 to promote good practice: sensible use of phytosanitary products, watering in line with climatic conditions, late cutting and mowing, planting of a diverse range of plant species, dead wood left in-situ, etc. 93% of sites (source BEST! – 94 sites affected by this area) say that their green spaces team (internal or external) uses alternative methods to chemical products to tackle weeds and pests (no chemical weedkiller used other than on roads).

To gain feedback on the definition and implementation of their specific management plan (limitations, good practice, etc.), five sites representative of the Group were consulted during the financial year. Specific management is seen as having a positive impact on the general appearance of green spaces and biodiversity. It would also appear that external service providers are more familiar with and proactive in the implementation of these approaches and the customer communication effort (via explanatory notices for example) is key to better acceptance of this kind of approach.

Developing the CSR culture internally

Several employee types were made aware of the Group's CSR priorities in 2013/2014: awareness-raising support was sent to Green key sites which underwent the renewal audit. It will be sent to all Green key sites during the 2014/2015 financial year. The teams of Adagio sites with the European Ecolabel have also received information explaining the brand's CSR priorities, and how certification works. Further, the Group's CSR priorities and the Eco'lidays sessions have been presented to the entertainments and kid's club teams at the six largest villages.

For operational teams at head office, a presentation of the Group's CSR approach is also included in the training modules for new call centre staff and in the IOP (International Orientation Program) integration seminar.

Finally, the annual sustainable development week was an opportunity to communicate with the employees. An adaptation of the entertainment offered at Center Parcs and Pierre & Vacances club villages has been organised for the children of head office employees.

A green lease was also signed for the head office with ICADE in 2009. A three-member management committee made up of Eurogem (manager), ICADE (lessor) and the Pierre & Vacances-Center Parcs Group manages water and energy use, and waste generation. There has been a drop in the amounts of water and energy used during the 2013/2014 financial year.

SOCIETAL RESPONSIBILITY

Dialogue with stakeholders

Dialogue with stakeholders is essential to the Group's CSR approach. Employee relations are discussed in the "Social" part, while customer relations are dealt with in "Customer Satisfaction", and supplier relations are outlined in "Responsible purchasing" opposite.

Dialogue with French local authorities and local residents

For any new development project, the Group adheres to all administrative procedures of the country or region in question. In France, the regulatory files to which each project is subject depending on the nature of its impacts (building permit, impact study, water act, protected species, etc.) are processed by the relevant experts of the government departments and are also subject to a consultation process with the local population and the most representative associations. As such, all observations and reservations which arise during the processing of the files can be taken into account, resulting in specific enhancements at project level. Dialogue with local stakeholders also takes place at public meetings and in working groups set up to optimise the local economic benefits of projects (mainly in terms of employment and shortened procedures for operations and buildings). In other legislative contexts, in Germany for example, a referendum may be held on a project, such as the proposed Center Parcs in Allgäu.

As part of its CSR commitment, the Group strives to go beyond its legal obligations, particularly in terms of consultation. Therefore, for the two new mid-size Center Parcs projects in the Jura and Saône-et-Loire, the Group called upon the National Public Debate Commission to submit these projects to the opinion of all stakeholders before any administrative procedures were launched.

Specific communication with owners

Special channels for communicating with owners: a website, including a "bookings/stay rights" section, and the "Chez Vous" magazine (about property development). During the lease renewal campaigns, working meetings with owners' associations are an opportunity to talk to owners.

Helping investors see the value of CSR

For the 5th consecutive year, the Pierre & Vacances – Center Parcs Group has been part of the Gaïa 2014 index, which is made up of the 70 companies deemed to be the most transparent and advanced in terms of CSR, based on the analysis of a panel of 230 French listed mid-sized companies.

Also, the Group has been assessed by the VIGEO ratings agency, for the second consecutive year, allowing investors to access a detailed external analysis of the Group's CSR performance. This has allowed it to be selected, as of November 2014, for inclusion on the Ethibel EXCELLENCE investment register, as its CSR performance has been judged better than average in its sector (Note C).

Finally, every year, a delegation from Pierre & Vacances-Center Parcs attends the Oddo Midcap forum to answer the questions of financial analysts on CSR matters, to develop a loyal shareholder base which is well-informed on CSR matters.

Involving local associations

Local environmental associations are involved in actions to preserve biodiversity, prior to the project and during the operational phase. For example, a protocol was signed with the Vienne Nature association and the LPO (bird protection league) Vienne for a bird observatory at the Center Parcs in Vienne. This study and consultation work ensure that environmental concerns are properly taken into account throughout the projects.

Acting within sector-based working groups

For two years, the CSR Department has participated in the working group on the environmental advertising for tourist accommodation, which is managed by the ADEME/AFNOR platform. This joint work with the other participants in the sector aims to produce a national environmental advertising reference.

Contributing to local economic dynamism

Contributing to local dynamism is a key part of the Group's CSR approach. The building of a site and its operation generate wealth in the long term (see the study conducted by Utopies on the Trois Forêts Center Parcs in Moselle on the Group's website).

During the construction phase of large projects, specific measures are taken to involve the local economic base. Specifically, for the major project of the future Center Parcs at Bois aux Daims in Vienne, measures to support local businesses were implemented with the relevant local bodies. From 2011, i.e. three years before the construction of the site, project presentations were organised with the Poitou-Charentes CCI to allow local SMEs to better understand the project, its phasing and future needs, and how to prepare to participate in the calls for tenders.

During the construction phase, locally-sourced supplies are specifically monitored. In the year ended 30 September 2014, 66.5% of the Purchasing Department's expenses for all the Group's building projects in France – apart from Les Seniorales – came from purchases made with local businesses. A business is considered "local" if it is in the same département as the project or if the distance between the two towns-departmental prefectures where the property development project and the business are situated is 100 km or less.

More specifically, for the future Center Parcs in Vienne, 71% of construction purchasing was allocated from the start of the construction work to companies in the Poitou-Charentes region (including the départements of Vienne, Charente Maritime, Charente and Deux-Sèvres).

For Les Senioriales, 67% of the companies involved in the construction of the seven residences delivered during 2013/2014 are local (monitoring indicator on that brand).

In the operational phase, the jobs created (see social section), local purchasing and the expenses generated by customers outside the site help to create wealth locally. Specific actions aimed at highlighting the assets and areas of interest for tourism in each territory have been developed: presence of tourist information representatives for visitors at Center Parcs sites, local produce shop, etc.

A responsible purchasing policy

Objectives and organisation

Purchases by Pierre & Vacances-Center Parcs amount to around €650 million per year (apart from Les Senioriales). Group framework agreements with referenced suppliers allow the Purchasing Department to manage around 75% of this, a figure which is constantly growing. The rest is purchased directly by the sites from suppliers referred locally. Furthermore, 99% of purchases are made from European suppliers, 72% of which are located in France.

The aims of the responsible purchasing policy by 2016 are as follows:

- promote dialogue with suppliers on the Group's CSR approach and encourage them to support it;
- take into account the environmental and social features of the Group's major suppliers, such as service providers, to develop and improve them;
- detect and manage risks linked to suppliers or products purchased;
- identify market opportunities in terms of innovation.

This approach, which is applied as a priority for suppliers managed at Group level, is gradually being rolled out to include all suppliers.

It is based on the following documents: Charter of Inter-company Relations, Rules of conduct with suppliers/service providers, Ethical purchasing charter, Clause Article III.3 of the General provisions of the referencing agreement, Letter of service provider commitment, etc.

Taking into account environmental, social and societal aspects in supplier relations

During the 2013/2014 financial year, the method and tool for evaluating suppliers have been simplified and adapted to make them more operational.

The questionnaire sent in advance to suppliers during consultations has been reviewed to make it, in addition to an evaluation tool, a real driver of dialogue. It aims to identify suppliers which have developed a CSR approach and to detect their potential to become a partner in the Group's CSR approach. 2014 was a transition period, with the questionnaire being rolled out over some of the purchasing by the teams in France. It will be fully implemented during the 2014/2015 financial year for all purchasing in all countries.

Also, for each call for tenders, an evaluation of the level of "sensitivity" of the product or service in terms of CSR is performed by the Purchasing and CSR Departments according to its environmental impact (use of natural resources, waste production, etc.) and on health and criteria such as proximity, customer visibility, adherence to environmental and social regulations, compliance with certification guidelines, etc.

If the product has strong CSR credentials, target specifications are added to the technical requirements to be included in the scoring and the bids comparison table.

Purchasing products and services with added social or environmental value

Work has been done to improve the reliability of the "green products" criterion, which appears in the internal catalogues: proof of eco-certification for products identified as "green" according to the Group's criteria have been collected from each supplier (recognised labels or certifications, composition of recycled materials of over 80% and environmental performance of some equipment as A+ and A++ for electrical appliances, etc.). The initial figures have thus been consolidated. They will be used as reference data for future financial years.

During the 2013/2014 financial year, 125 references have been made in the internal catalogues and the value of "green" product purchases amounts to €1.35 million. This mostly applies to welcome products, cleaning products and office equipment. In the next financial year, information will be sent to internal users, with the distribution of a specific catalogue making it easier to identify "green" products and explaining the content of the labels, and with a presentation of the "green" filter in the Group's purchasing system.

Audits on suppliers located in high-risk countries

Direct supplies from suppliers located in countries deemed to be "high risk" – according to The Business Social Compliance Initiative – accounted for under 1% of the Group's purchases in the 2013/2014 financial year. For these purchases, the Group applies the precautionary principle and ensures that the suppliers with which it works are audited by a third party based on the SA 8000 certification standard and complete an environmental questionnaire developed by the Group. The purpose of these audits is to check, amongst other things, whether the supplier adheres to the main rules on employment law (prohibition on child labour and forced labour, respect for freedom of association, remuneration and working conditions, etc.). During the 2013/2014 financial year, all expenditure in high-risk countries by the Group took place with audited suppliers with the exception of one, which had been able to supply certification based on the BSCI frame of reference.

More purchasing from suppliers employing people in adapted and protected work environments

Expenditure with suppliers employing people in adapted and protected work environments reached 253,585 euros before tax in 2013/2014, up 14% compared with the previous financial year. These were mainly Center Parcs expenditure, notably for the secondment of employees and service provision (maintenance of green spaces, bicycles, the children's farm, etc.).

Supplier relations

To improve relations with its suppliers, the Group has committed, by signing the Code of Responsible Purchasing in June 2012, to implementing good practices particularly in terms of financial adequacy, prevention of dependency risks, evaluation of the overall cost, integration of environmental issues and respect for the territoriality principle. Some suppliers, particularly SMEs, have already been given special support to avoid default.

Working towards the satisfaction of customers and owners

Customer satisfaction, the driving force behind the Group's quality approach

Customer satisfaction is at the heart of the Group's priorities and is the cornerstone of its quality approach. It is measured by analysing customer surveys, monitoring opinion sites and social networks, close collaboration with the customer relations department and finally constant dialogue with site teams.

Listening to customers via daily satisfaction surveys

Center Parcs and Pierre & Vacances have a single management tool and some of the satisfaction survey questions are the same. Adagio shares a tool with the Accor Group. During the 2013/2014 financial year, 124,000 questionnaires were gathered for Pierre & Vacances, 274,774 for Center Parcs and 35,693 for Adagio, representing a return rate of 40%, 44% and 17% respectively.

Managing the quality process through clear and consolidated indicators

Two major indicators are consolidated on each of the brand names Pierre & Vacances and Center Parcs to measure and compare customer satisfaction: the NPS (Net Promoter Score) and the overall satisfaction. The NPS is the difference between the number of "promoters" and the number of "detractors" in response to the question *"would you recommend this site to your friends and family?"* During the 2013/2014 financial year, the NPS was positive for Pierre & Vacances and Center Parcs. It has increased by over 4 points on Pierre & Vacances particularly in terms of professionalism of the teams (90% satisfaction), and fell by scarcely 1 point for Center Parcs. The overall satisfaction rate for Pierre & Vacances and Center Parcs and Sunparks is 84%, and 87% for Adagio. These results are confirmed by a high degree of planned return trips: over 89% for Pierre & Vacances, and 91% for Center Parcs and Sunparks.

The priority for the 2013/2014 financial year was to involve all teams (head office and sites) in customer satisfaction and encourage customers to leave their opinions on websites (ex. Tripadvisor, Zoover, Holiday Check, etc.). Weekly satisfaction barometers were sent to each site and monthly and annual summaries were shared with the teams. These are relevant tools to implement corrective actions in each site and identify areas for improvement for each brand name.

Since June 2014, when completing the satisfaction questionnaire, customers have been able to leave a report on Trip Advisor, published without restrictions (excluding the usual moderation rules).

In 2014, 49 properties were also awarded a Tripadvisor Certificate of Excellence for Pierre & Vacances (compared with 21 in 2013). The aim for the 2014/2015 financial year is to continue this work with an even more fine-grained, crossover approach to customer opinion.

Increased owner satisfaction

Managed by the Owner Customer Relations Department, owner satisfaction is mostly measured by the number of disputes (i.e. the ratio between the number of disputes and the number of owners) which has fallen by 19% compared with the previous financial year. The number of disputes received during the 2013/2014 financial year has fallen by 18% (513 disputes compared with 627 in 2012/2013) while the number of owners rose by 1% (22,600 compared with 22,400 in 2012/2013).

Further, the average processing time for owner disputes fell from five days in 2012/2013 to three days in 2013/2014. The drop in disputes is mainly linked to the more attentive attitude to owners: specific services offered during their stays (e.g. upgrade, late check out subject to availability, express check in with a dedicated queue), privileges offered outside stay times (private sales, special rental price, etc.).

Communication has also been improved (e.g. a Welcome Pack is sent to new owners, a dedicated website in French, English and German including a new "owner benefits" guide).

The aim for the 2014/2015 financial year is to offer owners even more benefits in terms of reductions and service and to keep the processing time at three days maximum.

Consumer health and safety: a priority

The Group aims to offer unique experiences to its customers in attractive natural settings where they are attended by professional staff and in a safe environment. The safety of customers and employees at the sites is thus a priority and an integral part of the risk management process. A team has been assigned to the management of each brand to include the specific features of each one.

The following actions were implemented during the 2013/2014 financial year:

- for Pierre & Vacances: six training days bringing together 204 participants (i.e. 1,428 training hours); the installation of smoke detectors and the overhaul of the Group's crisis management manual, which will be fully operational in 2015. Scheduled Accessibility Agendas for people with disabilities have been scheduled for September 2015;
- for Center Parcs Europe: internal safety procedures (customers and employees) during the organisation of major events, upholding of the quarterly evaluation of all managers and onboard training for each new employee.

Increase customer awareness on sustainable development issues

Make children aware that environmental matters are a priority for the Group's CSR approach from the beginning.

The aim is to grasp the opportunity of a stay at Pierre & Vacances and Center Parcs to make children aware, through games, of nature and its secrets, and to make them aware of our fragile planet.

At the Pierre & Vacances club villages and Maeva club residences, the Eco'lidays entertainments, led by our mascot Happyz, are offered for the kid's clubs, and many initiatives led by the sites outside the kid's clubs.

At the start of each season, the Group's CSR priorities and a range of Eco'lidays activities were presented to the entertainment teams, enabling them to design their summer entertainment programmes. Specific entertainment and shows were also offered to all customers, such as "the last spring" at the Moliets club village, an interactive exhibition on endangered species (quiz,etc.) on the Cap Esterel club village square.

At Center Parcs, children have been made aware about the protection of nature and the animal world via the "When I grow up..." activities at sites in France, Belgium, The Netherlands and Germany in the form of: "When I grow up, I will be a groundskeeper", "...farmer" and "...gardener".

During the 2013/2014 financial year, 19,553 children in total participated in awareness-raising programmes across all Group sites, an increase of 5% at constant scope (data from three sites were not collected, not taken into account).

Exploring nature as a family

A new activity, «Exploring Nature» has been launched as a pilot in partnership with the French league for the Protection of birds (LPO – the French representative of *BirdLife international*) at the Trois Forêts Center Parcs in Moselle. Led by two nature enthusiasts, customers have been able to discover as a family in an interactive way the forest at the site and the animals which live there, from insects to mammals. Special attention was paid to observing birds, and a summary of the species found was made at each session according to the participatory science protocol developed by the LPO at www.oiseauxdesjardins.fr.

A decentralised approach to sponsorship and support for associations

In terms of sponsorship, the Group has no centralised policy or budget and its sites are free to choose the projects and causes that they support. The initiatives are varied and depend on the local environment. By way of example, donations have been made or actions taken to support ill children at the Bispinger Heide, Nordseeküste and Bostalsee Center Parcs, and advocacy initiatives to protect the environment have been organised at Pierre & Vacances Eguzki (cleanup of beaches with Surfrider fundation).

For the third year, special support has been given to the Missing Chapter foundation (chaired by the Dutch princess Laurentien van Oranje) with the organisation of the Kids Climate Conference event at the Het Heijderbos Center Parcs.

ADDITIONAL INFORMATION AND CROSS-REFERENCE TABLE

The amount of provisions and guarantees for environmental risks is not material and therefore has not been included in this document.

Likewise, as the Group's activities (Property development and tourism business) do not include manufacturing processes, the use of raw materials is indirectly dealt with in "Construction", "Use of resources" and "Responsible purchasing policy".

As almost all Group sites are located in the European Union, unfair practice (corruption, etc.) is not really an issue, and as such, there is no section on it.

The cross-reference table for social, environmental and societal information relative to decree No.2012-557 of 24 April 2012 can be found on page 244.

REPORT BY THE INDEPENDENT THIRD PARTY BODY ON THE CONSOLIDATED SOCIAL, ENVIRONMENTAL AND SOCIETAL INFORMATION IN THE MANAGEMENT REPORT

(This is a free translation of the original report issued in French language for the sale convenience on English speaking reader)

Year ended 30 September 2014

To the Shareholders,

In our capacity as Independent Third Party Body accredited by the COFRAC under No.3-1050 and member of the network of Statutory Auditors of Pierre et Vacances, we present our report on the consolidated social, environmental and societal information for the year ending 30 September 2014, presented in the Chapter "Information on social, environmental and societal matters" and in the Appendix "Cross-reference table for social and environmental information" of the management report, hereafter the "CSR Information", pursuant to the provisions of Article L. 225-102-1 of the French Commercial Code.

The company's responsibility

It is the Board of Directors' responsibility to produce a management report including the CSR Information outlined in Article R. 225-105-1 of the French Commercial Code, in accordance with the standards used by the Company, mainly consisting of the Protocol for the non-financial reporting of environmental, social and governance data in its version dated September 2014 (hereafter the "Guidelines") a summary of which is available on the Group's website[10].

Independence and quality control

Our independence is defined by the regulatory provisions, the Code of Conduct for the profession and the provisions set out in Article L. 822-11 of the French Commercial Code. In addition, we have created a quality control system which comprises the policies and procedures documented to ensure compliance with the rules of conduct, professional standards and the applicable legal and regulatory texts.

Responsibility of the independent third party body

Based on our work, it is our responsibility to:

- ensure that the required CSR information is included in the management report or, if this is not the case, that justification has been provided in accordance with the third paragraph of Article R. 225-105 of the French Commercial Code (Certification of the presence of CSR information);
- provide moderate assurance that the CSR information, as a whole, accurately includes all the most significant aspects, in accordance with the Guidelines (Reasoned opinion on the fairness of the CSR information).

Our work was done by a team of five people between the months of September 2014 and January 2015 over a period of five weeks.

We have conducted the following work in accordance with the professional standards applicable in France and the order of 13 May 2013, which sets out the methods used by the independent third party body when performing its duties and, concerning the reasoned opinion on the fairness of the CSR information, International standard ISAE 3000[11].

1. Certification of the presence of CSR information

We have taken account of the guidelines on sustainable development based on interviews with the persons responsible for sustainable development, according to the social and environmental consequences linked to the Company's business and its commitments to sustainable development and, where necessary, any measures or programmes resulting from this.

We have compared the CSR information included in the management report with the list set out in Article R. 225-105-1 of the French Commercial Code;

In the event of the absence of certain consolidated information, we have checked that explanations have been provided in accordance with the provisions of Article R. 225-105, paragraph 3 of the French Commercial Code.

(10) http://www.groupepvcp.com/EN/130/developpement_durable, "publications" section.

(11) ISAE 3000 – Assurance engagements other than audits or reviews of historical information.

We have checked that the CSR information covered the consolidated scope, i.e. the Company as well as its subsidiaries within the meaning of Article L. 233-1 of the French Commercial Code and the companies it controls within the meaning of Article L. 233-3 of the same Code, with the limits stated in the introduction to the corresponding chapters and notably Chapter 1.2 "About the company report" of the management report.

On the basis of this work, and subject to the limits established above, we certify that the required CSR information has been included in the management report.

2. Reasoned opinion on the fairness of the CSR information

Nature and scope of the work

We conducted ten interviews with the individuals responsible for preparing the CSR Information from the Sustainable Development, Human Resources, Maintenance and Purchasing departments responsible for collecting the information and, if applicable, responsible for the internal control and risk management procedures, in order to:

- assess the appropriateness of the Guidelines with regard to their relevance, completeness, reliability, neutrality and clarity, taking into account, where necessary, best practices within the sector;
- check the implementation of a process to collect, compile, process and check the completeness and consistency of the CSR information and analyse the internal control and risk management procedures used to produce the CSR information.

We have determined the nature and scope of the tests and controls according to the nature and importance of the CSR information with regard to the features of the Company, the social and environmental priorities of its business, its sustainable development orientations and good practice in the sector.

For the CSR information that we considered the most important[12]:

  - for the Company's head office, we have consulted documentary sources and held interviews to corroborate the qualitative information (organisation, policies, actions, etc.); we have used analytical procedures on quantitative information and checked their consistency with the other information in the management report.
  - for the representative sample of the entities and sites we selected[13] based on their business, their contribution to the consolidated indicators, their implantation and a risk analysis, we conducted interviews to check that the procedures were correctly implemented, and we performed detailed tests, based on samples, to check the calculations made and reconcile the data with the supporting documents. The sample of sites and entities selected in this way represented 6% of the workforce and 7% of energy use (sites) and 71% of employees and 52% of energy use (entities).

For the other consolidated CSR information, we have assessed its consistency in line with our knowledge of the Company.

Finally, we evaluated the relevance of the explanations provided, where applicable, when information was missing either entirely or partially.

We believe that the sampling methods and sizes used when applying our professional judgement allow us to make a conclusion of reasonable assurance; a higher level of assurance would require more thorough verification work. The reliance on sampling techniques and other limitations inherent to any internal control and information system make it impossible to wholly eliminate the risk of a material misstatement in the CSR information.

(12) **Environmental and societal information:** the general environmental policy (BEST! system), pollution and waste management (recycling rate for Center Parcs), sustainable use of resources and climate change (energy use, water consumption and supply subject to local constraints); territorial, economic and social impact (employment, regional development, impact on local populations), responsible purchasing approach. **Social information:** employment (total workforce, turnover), absenteeism, health and safety conditions at work, workplace accidents, training policies.

(13) The Pierre & Vacances Cannes Villa Francia site (Mediterranean operations management) and Center Parcs in Kempervennen (The Netherlands); Center Parcs The Netherlands and the French companies (excluding Les Senioriales).

Conclusion

Based on our work and aside from the above reservations, we have not found any material misstatement that would call into question the fact that the CSR information, taken in its entirety, is presented in a fair manner and in accordance with the Guidelines.

Comments

Without calling into question the conclusion provided above, we would like to draw your attention to the following items:

- notable changes in definition and scope have made the reporting of the information reliable. Where available, historical information has been provided in a comparable manner;
- the consolidation of the environmental and social information still requires more manual interventions and processing, which is the responsibility of those in charge of reporting;
- as mentioned in the "Waste management" chapter, the volumes of waste generated or sorted have been reported only for Center Parcs Europe. Discrepancies were noted on several sites, but these are compensated for at the consolidated level.

Paris and Paris-La Défense, 19 January 2015

Independent Third Party Body

ERNST & YOUNG et Associés

Éric Duvau	Bruno Perrin
Sustainable Development associate	Associate

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

(in € thousands)	Notes	2013/2014	2012/2013 restated(*)
Revenue	27	1,415,434	1,306,693
Purchases and external services	28	-1,020,178	-942,391
Employee expenses	29	-313,232	-310,659
Depreciation, amortisation and impairment	30	-51,948	-55,910
Other operating income from ordinary activities	31	17,279	23,374
Other operating expenses on ordinary activities	31	-35,196	-18,415
OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES	**3**	**12,159**	**2,692**
Other operating income	3/32	5,629	13,094
Other operating expenses	3/32	-15,184	-46,939
OPERATING PROFIT (LOSS)	**3**	**2,604**	**-31,153**
Financial income	33	5,328	3,264
Financial expenses	33	-24,285	-19,438
NET FINANCIAL INCOME (EXPENSES)		**-18,957**	**-16,174**
Income tax	34	-6,927	-275
Share of profit (loss) of equity-accounted investments		-14	139
PROFIT (LOSS)		**-23,294**	**-47,463**
Of which:			
◆ *attributable to owners of the Company*		*-23,389*	*-47,608*
◆ *non-controlling interests*		*95*	*145*
Basic earnings (loss) per share, attributable to owners of Company (in €)	35	-2.77	-5.63
Diluted earnings (loss) per share, attributable to owners of Company (in €)	35	-2.77	-5.63

(*) Restated for the retrospective corrections described in Note 1.3.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in € thousands)	2013/2014	2012/2013 restated(*)
PROFIT (LOSS) FOR THE YEAR	**-23,294**	**-47,463**
Translation adjustments	111	-29
Effective portion of gains and losses on hedging financial instruments	-12	567
Other	0	74
Deferred tax	4	-195
Other comprehensive income (loss) that may be reclassified subsequently to profit or loss, net of tax	**103**	**417**
Actuarial gains and losses on retirement benefit obligations	1,858	-2,176
Other comprehensive income (loss) that will not be reclassified subsequently to profit or loss, net of tax	**1,858**	**-2,176**
Other comprehensive income (loss), net of tax	**1,961**	**-1,759**
TOTAL COMPREHENSIVE INCOME (LOSS)	**-21,333**	**-49,222**
Of which:		
◆ *attributable to owners of the Company*	*-21,428*	*-49,367*
◆ *non-controlling interests*	*95*	*145*

(*) Restated for the retrospective corrections described in Note 1.3.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

(in € thousands)	Notes	30/09/2014	30/09/2013 restated(*)
Goodwill	4	156,369	156,369
Intangible assets	5	123,513	122,900
Property, plant and equipment	7	300,544	324,636
Equity-accounted investments	8	10,156	0
Available-for-sale financial assets	10	1,639	1,639
Other non-current financial assets	9/26	22,531	21,698
Deferred tax assets	34	76,919	76,598
NON-CURRENT ASSETS	**3**	**691,671**	**703,840**
Inventories and work in progress	11/12/2025	330,164	273,350
Trade receivables	13/25/26	386,892	359,612
Other current assets	14/25/26	239,538	225,578
Current financial assets	14/25/26	23,278	25,325
Cash and cash equivalents	15/16	47,671	54,296
CURRENT ASSETS	**3**	**1,027,543**	**938,161**
TOTAL ASSETS	**3**	**1,719,214**	**1,642,001**

Equity and liabilities

(in € thousands)	Notes	30/09/2014	30/09/2013 restated(*)
Share capital		88,216	88,216
Share premium		8,637	8,637
Treasury shares		-11,644	-11,509
Other comprehensive income (loss)		-5,191	-7,152
Reserves		316,603	366,090
Consolidated profit (loss)		-23,389	-47,608
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	**17**	**373,232**	**396,674**
Non-controlling interests		356	261
EQUITY		**373,588**	**396,935**
Long-term borrowings	19	261,118	251,270
Non-current provisions	18	23,980	25,422
Deferred tax liabilities	34	4,214	4,912
Other non-current liabilities	24/25/26	2,992	3,417
NON-CURRENT LIABILITIES	**3**	**292,304**	**285,021**
Short-term borrowings	19	59,936	85,838
Current provisions	18	6,669	9,116
Trade payables	23	384,060	288,240
Other financial liabilities	24/25/26	572,959	545,523
Current financial liabilities	24/25/26	29,698	31,328
CURRENT LIABILITIES	**3**	**1,053,322**	**960,045**
TOTAL EQUITY AND LIABILITIES	**3**	**1,719,214**	**1,642,001**

(*) Restated for the impact of the first-time adoption of revised IAS 19 "Employee benefits", as described in Note 1.3.

CONSOLIDATED STATEMENT OF CASH FLOWS

(in € thousands)	Notes	2013/2014	2012/2013 restated(*)
Operating activities			
Consolidated profit (loss)		**-23,294**	**-47,463**
Depreciation, amortisation and impairment of non-current assets		45,727	45,824
Expenses on grant of share options		1,345	1,044
Gains (losses) on disposal of assets		159	-599
Share of profit (loss) of equity-accounted investments		14	-139
Costs of net financial debt	33	22,081	16,765
Impact of the fair value adjustment of the cash redemption option for the Ornane bond		-3,579	
Tax expense (including deferred taxes)	34	6,927	275
Operating cash flows before change in working capital requirements		**49,380**	**15,707**
Net interest paid		-18,529	-18,706
Taxes paid		-5,678	-8,263
Cash flows after interest and tax		**25,173**	**-11,262**
Change in working capital requirements (including in employee benefits liability)		23,978	-41,800
Inventories and work in progress	11/25	-55,484	1,580
Other working capital items	11/25	79,462	-43,380
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES (I)		**49,151**	**-53,062**
Investing activities			
Acquisitions of property, plant and equipment, and intangible assets	5/7	-26,421	-25,603
Acquisitions of non-current financial assets	8/9	-11,882	-3,096
Acquisitions of business goodwill		0	-600
Acquisitions of subsidiaries (net of cash acquired)		0	3,300
Subtotal of disbursements		**-38,303**	**-25,999**
Proceeds from disposals of property, plant and equipment, and intangible assets		1,890	4,267
Proceeds from disposals of non-current financial assets		908	4,792
Divestments of subsidiaries (net of cash paid)		0	2,382
Subtotal of receipts		**2,798**	**11,441**
Net cash attributable to assets and disposal groups held for sale		0	1,844
NET CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES (II)		**-35,505**	**-12,714**
Financing activities			
Capital increases in cash by the Company	17	0	0
Acquisitions and disposals of treasury shares	17	-135	-107
Dividends paid to owners of the Company		0	0
Dividends paid to non-controlling interests		0	0
Proceeds from new loans and other borrowings	19	164,626	16,743
Repayment of loans and other borrowings	19	-190,973	-57,081
Other cash flows from (used in) financing activities		-41	-10
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES (III)		**-26,523**	**-40,455**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (IV = I + II + III)		**-12,877**	**-106,231**
Cash and cash equivalents at beginning of year (V)	15	21,512	127,743
Cash and cash equivalents at end of year (VI = IV + V)	15	8,635	21,512

(*) Restated for the retrospective corrections described in Note 1.3.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in € thousands)	Number of shares	Share capital	Share premium	Treasury shares	Translation adjustments	Fair value reserves (mainly hedging financial instruments)	Reserves	Consolidated profit (loss)	Equity attributable to owners of the Company	Non-controlling interests	Total shareholders' equity
RESTATED BALANCE AT 30 SEPTEMBER 2012(*)	**8,821,551**	**88,216**	**8,637**	**-11,402**	**79**	**-582**	**387,761**	**-27,376**	**445,333**	**-1**	**445,332**
Accumulated other comprehensive income (loss)					-29	446			417		417
Actuarial gains and losses on retirement benefit obligations							-2,176		-2,176		-2,176
Profit (loss) for the year								-47,608	-47,608	145	-47,463
Total comprehensive income (loss)		**0**	**0**	**0**	**-29**	**446**	**-2,176**	**-47,608**	**-49,367**	**145**	**-49,222**
Capital increase									0		0
Dividends paid							0		0		0
Change in treasury shares held				-107			-229		-336		-337
Issue of compound financial instruments (OCÉANE)							0		0		0
Share-based payment expenses							1,044		1,044		1,044
Other movements							0		0	117	117
Allocation of profit for the year							-27,376	27,376	0		0
RESTATED BALANCE AT 30 SEPTEMBER 2013(*)	**8,821,551**	**88,216**	**8,637**	**-11,509**	**50**	**-136**	**359,024**	**-47,608**	**396,674**	**261**	**396,935**
Other comprehensive income					111	-8			103		103
Actuarial gains and losses on retirement benefit obligations							1,858		1,858		1,858
Profit (loss) for the year								-23,389	-23,389	95	-23,294
Total comprehensive income (loss)		**0**	**0**	**0**	**111**	**-8**	**1,858**	**-23,389**	**-21,428**	**95**	**-23,191**
Capital increase									0		0
Dividends paid									0		0
Change in treasury shares held				-135			-6		-141		-141
Early redemption of OCÉANE bonds							-3,218		-3,218		-3,218
Share-based payment expenses							1,345		1,345		1,345
Other movements									0		0
Allocation of profit for the year							-47,608	47,608	0		0
BALANCE AT 30 SEPTEMBER 2014	**8,821,551**	**88,216**	**8,637**	**-11,644**	**161**	**-144**	**311,395**	**-23,389**	**373,232**	**356**	**373,588**

(*) Restated for the retrospective corrections described in Note 1.3.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Preamble

Pierre & Vacances is a French Public Limited Company *(société anonyme)*, governed by a Board of Directors and listed on Euronext Paris.

The consolidated financial statements reflect the financial position of Pierre & Vacances and its subsidiaries (hereinafter referred to as "the Group"), as well as its interests in associates and joint ventures. The financial statements are presented in euros, rounded to the nearest thousand.

The Board of Directors approved the Group's consolidated financial statements for the year ended 30 September 2014 on 2 December 2014.

NOTE 1 Accounting principles

1.1 - General framework

Pursuant to European regulation EC 1606/2002 of 19 July 2002, the consolidated financial statements for the financial year ended 30 September 2014 have been prepared in accordance with IFRS *(International Financial Reporting Standards)* as adopted by the European Union at 30 September 2014 (these standards are available at http://ec.europa.eu/finance/accounting/ias/index_en.htm).

The IFRS accounting standards include IFRS, IAS (International Accounting Standards) and their IFRIC (International Financial Reporting Interpretations Committee) and SIC (Standing Interpretations Committee) interpretations.

These standards and interpretations are the same as those applied in the Group's financial statements for the financial year ended 30 September 2013, except for those adopted by the European Union which must be applied for the first time in the financial year beginning 1 October 2013 and for which the Group had not elected for early adoption (see section 1.2 – Changes in accounting standards).

1.2 - Changes in accounting standards

New standards and interpretations, which must be applied for the first time in the financial year beginning 1 October 2013, were used to prepare the financial statements for the financial year ended 30 September 2014.

The new standards, interpretations and amendments applied by the Group for the financial year ended 30 September 2014 and not anticipated in the financial statements ended 30 September 2013 include the following:

- revised IAS 19 "Employee benefits" (applicable to financial years beginning on or after 1 January 2013);
- IFRS 13 on fair value measurement (applicable to financial years beginning on or after 1 January 2013);

The impact of the first-time adoption of revised IAS 19 on the Group's consolidated financial statements is explained in Note 1.3 – Accounting changes.

IFRS 13 provides details about the information to be disclosed in the notes to the financial statements on financial instruments.

The standards, interpretations and amendments to existing standards for which the Group has not elected early adoption in its financial statements are as follows:

- IFRS 10 relating to consolidated financial statements (applicable to financial years beginning on or after 1 January 2014);
- IFRS 11 "Joint arrangements" (applicable to financial years beginning on or after 1 January 2014);
- IFRS 12 relating to disclosures of interests in other entities (applicable to financial years beginning on or after 1 January 2014);
- amendment to IAS 27 on individual company financial statements;
- amendments to IAS 28 "Investments in associates and joint ventures";
- IFRIC 21 interpretation "Levies" on the recognition of a liability for a levy due (applicable for financial years beginning on or after 17 June 2014).

The Group is reviewing all these standards and interpretations, in particular IFRS 10, IFRS 11 and IFRS 12, in order to measure their potential impact on the consolidated profit (loss), financial position and cash flows and to assess the required disclosures.

IFRS 10 specifically defines a single model for evaluating control, which serves as a basis for full consolidation and comprises three elements: power over the investee, exposure to returns and the ability to affect those returns through power over the investee.

IFRS 11 aims to eliminate the use of the proportionate consolidation method. Accounting for partnership agreements is based solely on the nature and substance of the contractual rights and obligations, regardless of the legal form of the agreement. The Group will review its partnership agreements: in case of a joint venture, the Group will consolidate the subsidiary using the equity method and in case of a joint operation, the Group will recognise its share of the jointly held assets, liabilities, income and expenses.

The Group has reviewed the partnership agreements for Adagio and Villages Nature. The review showed that these two partnerships should be classified as joint ventures and consolidated using the equity method.

By way of illustration, the contribution of these subgroups to the consolidated financial statements for the financial year ended 30 September 2014 can be summarised as follows:

(in € thousands)	Adagio	Villages Nature
Revenue	22,255	15,372
Operating profit (loss) from ordinary activities	2,738	1,491
Profit (loss) for the year	1,562	1,099
Non-current assets	6,556	144
Working capital requirements	-12,524	2,143
of which inventories	*49*	*48,269*
of which trade receivables	*7,453*	*93,194*
of which operating liabilities	*20,026*	*139,320*
Net cash and cash equivalents	391	7,173

After applying these new standards, the revenue generated by the Pierre & Vacances-Center Parcs Group in the 2013/2014 financial year is expected to reach €1,378,539,000 and operating profit (loss) from ordinary activities (excluding the share of profit (loss) from joint ventures) €7,318,000.

The new interpretation of IFRIC 21 relates to levies imposed by governments and requires that a liability linked to a duty or tax must be reported separately when the generating fact occurs. This interpretation will mainly prevent the deferral of an annual tax generated by a one-time event.

This interpretation is applicable to financial years beginning on or after 17 June 2014. The Group does not expect any material impact on its parent company financial statements.

1.3 - Change in accounting policies – First-time adoption of the revised standard on employee benefits

From 1 October 2013, the Group applies the provisions of revised IAS 19 "Employee Benefits" which introduces several changes to the accounting for post-employment benefits. The main changes introduced by the revised standard are as follows:

- the immediate recognition of all the post-employment benefits granted to Group employees on the consolidated statement of financial position. the elimination of the "corridor" method, which allowed the deferred recognition of actuarial gains and losses for defined benefit plans in profit or loss;
- the immediate recognition of all gains or losses on actuarial gains and losses, i.e., changes in the retirement benefit obligation resulting from changes in actuarial assumptions or experience adjustments, in equity under accumulated other comprehensive income or loss. In accordance with IAS 1, in the statement of comprehensive income, such actuarial gains and losses are included in items of other comprehensive income that will never be recycled to profit or loss in future financial years;
- the elimination of the straight-line amortisation of past service costs to unvested rights at the date of a plan amendment. Any impact of a change in or reduction of plan is immediately and fully recognised in profit or loss for the period;
- interest income on retirement plan assets is now calculated using the discount rate for the defined benefit obligation.

As revised IAS 19 "Employee Benefits" is to be applied retrospectively, the impact of this change in accounting policies on the financial statements of the comparative period is presented below.

a. Impact on the consolidated income statement

(in € thousands)	2012/2013 restated(*)	Revised IAS 19	2012/2013 as published
Revenue	1,306,693		1,306,693
Purchases and external services	-942,391		-942,391
Employee expenses	-310,659		-310,659
Depreciation, amortisation and impairment	-55,910	138	-56,048
Other operating income from ordinary activities	23,374		23,374
Other operating expenses on ordinary activities	-18,415		-18,415
OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES	**2,692**	**138**	**2,554**
Other operating income	13,094		13,094
Other operating expenses	-46,939		-46,939
OPERATING PROFIT (LOSS)	**-31,153**	**138**	**-31,291**
Financial income	3,264		3,264
Financial expenses	-19,438	-55	-19,383
NET FINANCIAL INCOME (EXPENSES)	**-16,174**	**-55**	**-16,119**
Income tax	-275	-28	-247
Share of net income (loss) of equity-accounted investments	139		139
PROFIT (LOSS) FOR THE YEAR	**-47,463**	**55**	**-47,518**
Of which:			
◆ *attributable to owners of the Company*	*-47,608*	*55*	*-47,663*
◆ *non-controlling interests*	*145*		*145*

(*) Restated for the impact of the first-time application of revised IAS 19 "Employee benefits", as described in Note 1.3.

The effects of the first application of the revised IAS 19 on the consolidated income statement for financial year 2012/2013 mainly stem from the elimination of the amortisation of actuarial gains and losses previously recognised in operating profit (loss) from ordinary activities.

b. Impact on the carrying amount of the provision for retirement and other post-employment benefits

The amendment to IAS 19 "Employee Benefits" led the Pierre & Vacances-Center Parcs Group to recognise all actuarial gains and losses. Therefore, the provision reported in the consolidated statement of financial position now equals the net amount of the obligation calculated by actuaries.

The impact on the value of the liabilities recognised in the Group's consolidated statement of financial position can be broken down as follows:

	30/09/2013		Former IAS 19	Revised IAS 19	Impact
(in € thousands)	Retirement plans	Other benefits	Total	Total	
Discounted benefit obligation	88,154	5,639	93,793	93,923	130
Fair value of plan assets	70,879	0	70,879	70,879	0
Net amount of obligation	**17,275**	**5,639**	**22,914**	**23,044**	**130**
Unrecognised actuarial profit (losses)	-9,267	0	-9,267	0	9,267
Net liability recognised in the statement of financial position	**8,008**	**5,639**	**13,647**	**23,044**	**9,397**

As at 30 September 2013, the provision for retirement and other post-employment benefits was increased by €9,397,000 to reach €23,044,000.

c. Impact on the consolidated statement of financial position at 30 September 2013

The main effects of the first application of revised IAS 19 on the opening statement of financial position are as follows:

- a €9,397,000 increase in provisions for retirement and other post-employment benefits;
- a €2,386,000 increase in related net deferred tax assets.

These changes resulted in a €7,011,000 drop in consolidated equity.

(in € thousands)	30/09/2013 restated	Impact of revised IAS 19	30/09/2013 as published
Deferred tax assets	76,598	2,386	74,212
Equity attributable to owners of the Company	396,674	-7,011	403,685
Non-current provisions	25,422	9,397	16,025

The restatements recorded at 30 September 2013 relate to the recognition of actuarial gains and losses previously not recorded.

Similarly at 30 September 2012, the restated statement of financial position is as follows:

(in € thousands)	30/09/2012 restated	Impact of revised IAS 19	30/09/2012 as published
Deferred tax assets	78,466	1,677	76,789
Equity attributable to owners of the Company	445,333	-4,891	450,224
Non-current provisions	25,206	6,568	18,638

1.4 - Basis of presentation

Individual financial statements of the Group's consolidated companies, which are prepared according to the accounting regulations applicable in their respective countries, are restated to comply with the Group's accounting policies.

All fully or proportionally consolidated companies are consolidated on the basis of annual financial statements or positions at the reporting date of the parent company, namely 30 September.

The Group's consolidated financial statements have been prepared on the historical cost basis, except for the following assets and liabilities which, if present at the reporting date, are recognised at their fair value: derivative financial instruments, financial assets held-for-trading and available-for-sale financial assets. The carrying amount of the assets and liabilities hedged against changes in fair value is adjusted to take into account such changes attributable to the risks hedged.

As provided for by IAS 1 "Presentation of financial statements", the Group reports income statement items according to their nature.

Operating profit (loss) includes "Other operating expenses" and "Other operating income". These line items essentially comprise non-recurring items such as gains and losses on disposals, restructuring expenses and impairment losses.

Statement of financial position items are classified into current and non-current assets, and current and non-current liabilities. The Group's current assets include cash and cash equivalents, assets held for sale and assets consumed in a normal operating cycle. All other assets are classified as non-current. Current liabilities consist of liabilities that mature in the Group's normal operating cycle or within 12 months after the reporting date. All other liabilities are classified as non-current.

The statement of cash flows is presented using the indirect method.

1.5 - Use of accounting estimates

The preparation of consolidated financial statements in accordance with international accounting principles requires Group management to use a number of estimates and assumptions that have an effect on the assets and liabilities and on the expenses and income in the income statement, as well as on any assets and liabilities mentioned in the notes. In particular, this involves determining the recoverable amount of goodwill, intangible assets with indefinite useful lives, assumptions on the recoverability of tax losses and the classification of lease agreements as finance leases or operating leases. These estimates are made on a going concern basis and are drafted according to the information available when they were made. It is possible that the actual amounts are subsequently found to be different from the estimates and assumptions made in preparing the financial statements presented.

1.6 - Basis of consolidation

The following consolidation methods have been used:

- full consolidation – all the companies over which the Group exercises exclusive control, directly or indirectly, in law or in fact;
- proportional consolidation – companies operated jointly in a joint arrangement;

- equity method – shares of companies over which the Group directly or indirectly exercises significant influence without, however, having control. Significant influence is presumed when the Group holds more than 20% of the voting rights.

The results of companies acquired during the year are consolidated as from the date on which control (exclusive or joint) or significant influence begins. The results of the companies sold during the year are consolidated up to the date on which control or notable influence ceases.

1.7 - Transactions between consolidated companies

Intra-group transactions and balances are eliminated both in the statement of financial position and the income statement. Eliminations are made up to the limit of the ownership percentage reflected in the consolidated financial statements.

1.8 - Foreign currency translation methods

Translation of transactions denominated in foreign currency

A company's functional currency is the currency of the primary economic environment in which the Company operates. Transactions made in a currency other than the functional currency are translated at the exchange rate in effect at the time they occur. At the reporting date, receivables and corresponding payables are converted into the functional currency at the reporting date exchange rate. The resulting translation differences are recognised in profit or loss.

Translation of foreign currency financial statements

The statement of financial position of companies whose functional currency is not the euro are translated into euros at the reporting date exchange rate and their income statement at the average exchange rate for the year.

The resulting translation differences are shown in shareholders' equity and will be recognised in profit (loss) for the year during which control of the business ceases.

1.9 - Business combinations

As from 1 October 2009, business combinations are recorded in accordance with revised IFRS 3 "Business combinations" and revised IAS 27 "Consolidated and separate financial statements".

Acquisition costs

The cost of purchasing shares equals the fair value of the assets handed over, the liabilities incurred or assumed, and the equity instruments issued by the buyer on the date of purchase.

The costs directly attributable to the acquisition are recognised as an expense for the period during which they are incurred.

Earn-outs, irrespective of their likelihood of payment, are recognised at fair value in liabilities or shareholders' equity as of the acquisition date; subsequent adjustments must be reported in profit (loss) if the initial entry was under liabilities.

Identifiable assets, identifiable liabilities and goodwill

When they integrate the Group, the assets and liabilities that can be measured separately are reported in the consolidated statement of financial position at their fair value. Assets intended for resale are measured at their fair values less the selling costs. Goods intended for use in operation are measured at their fair value.

The fair value of brand names, as identifiable intangible assets, is determined using a multi-criteria approach generally accepted for the purpose ("relief from royalty" method, excess cash-flows method and cost approach).

The measurement of identifiable assets determines their new gross carrying amount. This serves as a basis for subsequent calculations of gains or losses on disposal, depreciation, amortisation, and impairment losses.

Goodwill represents any amount in excess of the consideration transferred and, if applicable, the difference between the value of "non controlling interests" and the net fair value of identifiable assets and liabilities of the acquired company. Depending on the option selected for measuring these interests at the date control is acquired (fair value or share of net assets acquired), the goodwill recognised represents either the share acquired by the Group (partial goodwill) or the share of the Group and the share of the non-controlling interests (total goodwill).

If the difference is positive, it is recorded under "Goodwill" for companies consolidated by the full or proportional consolidation method and under "Equity-accounted investments" for the companies over which the Group exercises significant influence. If the difference is negative, it is posted directly to profit or loss.

If, in the 12 months following the acquisition date, new information leads to a new assessment of the fair values of the assets and liabilities when they were included in the consolidated statement of financial position, the fair values are updated. The remeasurement will result in a change in the gross amount of the goodwill.

When a company is purchased in stages, the previous shareholding is reassessed at fair value on the date control is acquired and the difference from the net carrying amount is recognised in profit or loss.

Commitment to buy out non-controlling interests

When the Group grants purchase options on their investments to shareholders of its fully consolidated subsidiaries, it anticipates this additional purchase of shares. These commitments are recognised as financial liabilities at the discounted value of the buy-back price, along with an entry to non-controlling interests and any remaining balance being recorded in equity.

1.10 - Non-current assets held for sale and associated liabilities

Assets and liabilities that the Group decided to sell during the year are presented on a separate line item of the statement of financial position ("Non-current assets and disposal groups held for sale"), if they are available for immediate sale and the sale is highly probable.

When several assets are intended to be sold in a single transaction, the asset group and the related liabilities are measured overall at the lowest of the net carrying amount and the fair value net of the selling costs. Non-current assets classified as held for sale are no longer depreciated.

1.11 – Goodwill impairment tests

In accordance with revised IFRS 3 "Business combinations", goodwill is not amortised. Goodwill is subject to impairment testing whenever there is an indication that it may be impaired and at least once a year at the end of the reporting period, namely at 30 September.

This test is carried out in order to take account of any changes that may have reduced the profitability and value of the goodwill. Such events or circumstances include significant unfavourable changes of a permanent nature, affecting the economic environment or the assumptions and objectives adopted at the date of acquisition.

The assets are combined into cash generating units (CGUs). A CGU is the smallest group of assets generating cash flows largely independent of other asset groups. The CGUs adopted by Pierre & Vacances-Center Parcs for assessing the recoverable amount of goodwill are the Group's operating segments used to analyse its results for internal reporting purposes.

This impairment test involves comparing the recoverable amount of the cash generating units (CGUs), or of the CGU group, with the net carrying amount of the corresponding assets, including any goodwill. Through these impairment tests, the Group ensures that the recoverable amount of goodwill is not less than the net carrying amount. The recoverable amount is the higher of the fair value less selling costs or the value in use.

If an asset is to be sold, the recoverable amount is determined based on the fair value less selling costs.

The fair value less selling costs is the selling price that could be obtained in a transaction carried out in normal market conditions between informed and consenting parties, less the costs to sell and the costs of withdrawing from the business. The asset's selling price is determined with reference to similar recent transactions or valuations made by independent experts when a sale is in the offing.

Value in use is the future net discounted cash flows that would be generated by the CGU or group of CGUs. Cash flow projections come from the five-year business plans internally developed by the operating segments. For periods beyond five years, they are estimated using a perpetual growth rate. The discount rate used is based on the average cost of capital reflecting current market assessments of the time value of money and the risks specific to the asset tested. These discount rates are after-tax rates applied to after-tax cash flows. They are used to determine recoverable amounts that are identical to those obtained using pre-tax rates applied to pre-tax cash flows.

An impairment loss is recognised in profit and loss if the carrying amount of a goodwill item is greater than its recoverable amount. Any impairment losses are recorded in "Other operating expenses". Any impairment loss recognised for a goodwill item may not be reversed in future periods.

1.12 – Intangible assets

Intangible assets individually acquired are stated in the statement of financial position at their purchase cost less accumulated amortisation and impairment losses.

Intangible assets acquired as part of a business combination are reported at their fair value on the date of acquisition, separately from the goodwill if they are identifiable, that is to say if they satisfy one of the following two conditions:

- they result from legal or contractual rights; or
- they can be separated from the entity acquired.

Intangible assets primarily consist of brand names.

They include:

- brand names that the Group has classified as intangible assets with indefinite useful lives.

  These assets are recorded in the statement of financial position on the basis of a valuation made at the date of acquisition by independent experts using a multi-criteria approach, which takes into account brand name awareness and expected future contribution to profits. They account for most of the net carrying amount of intangible assets recorded on the Group's consolidated statement of financial position. Brand names are not amortised but their value is subject to a test if there is an indication that they may be impaired and at least once a year at the reporting date, namely at 30 September. A provision for impairment losses is reported if the amount determined using impairment tests is lower than their net carrying amount.

  The Group determines the value in use of each of its brand names by updating their carrying amounts using the same method as that used for goodwill impairment tests (i.e. discounted future cash flows generated by the business covered by the brand) or the "relief from royalty" method (five-year projection of future royalties from the brand). Any impairment losses are reported in the income statement, under "Other operating expenses". The corresponding provision may subsequently be reversed if the value in use becomes higher than the net carrying amount;
- the other intangible assets that the Group has classified as intangible assets with definite useful lives. Essentially, these are concessions and patents that mainly include software licences and expenditure on computer programs. These non-current assets are amortised using the straight-line method over periods reflecting their useful lives, usually between three and eight years. If there is an indication of impairment loss, a valuation test is automatically carried out.

1.13 – Investment subsidies

Investment subsidies are shown on the statement of financial position as a reduction in the value of the asset for which they were received.

1.14 - Property, plant and equipment

Items of property, plant and equipment are reported in the statement of financial position at their historic acquisition cost or at their construction cost or else, for assets owned by entities consolidated for the first time, at their acquisition-date fair value less any accumulated depreciation and any reported impairment losses. Interest on capital borrowed to finance the production of property, plant and equipment items during the period prior to their being placed in service is considered to be an integral part of their construction costs.

Lease agreements are classified as finance leases and are restated in the consolidated financial statements when in substance they transfer to the Group virtually all the risks and benefits inherent in ownership of these properties. The level of risk transferred is measured by analysing the terms of the agreement.

Property, plant and equipment items acquired through finance lease agreements are presented in assets at the lower of the item's market value and the discounted value of future lease payments. Depreciation is recognised over the asset's useful life, the corresponding liability being reported along with the related interest expense.

Unlike finance leases, operating leases are reported in the income statement as lease payments under "Purchases and external services". These rents mainly relate to buildings and fittings and are spread on a straight-line basis over the duration of the contracts.

Rent commitments, representing total future minimum payments over the remaining lease term, are indicated in Note 37 "Off-statement of financial position commitments".

From the date they are placed in service, property, plant and equipment items are depreciated over their useful lives, using a component-based approach and the straight-line method:

Buildings	20 - 54 years
Equipment, fixtures and fittings	5 to 16 years
Furniture	7 - 12 years
Other property, plant and equipment	3 - 4 years

Items of property, plant and equipment are considered impaired when their economic value appears lower than their net carrying amount as a result of events or circumstances occurring during the financial year.

Thus, at each reporting date, the Group assesses whether there is any indication of impairment loss relating to identifiable asset groups whose continuous use generates cash flows that are largely independent of those generated by other assets or asset groups. Consequently, the Group analyses, for example, the change in revenue or in operating profit (loss) generated by these cash-generating units. In the case of a material unfavourable change, the Group then determines the recoverable amount of all the assets concerned. This is the higher of the fair value less selling costs, and the value in use. The value in use is determined on the basis of the discounted future cash flows estimated using the same methodology as described for goodwill.

Any impairment losses are reported in the income statement, under "Other operating expenses" and the corresponding provision may be subsequently reversed if the economic value becomes higher than the net carrying amount.

1.15 - Non-current financial assets

This category mainly comprises available-for-sale financial assets, loans and receivables due from associates and non-consolidated entities, loans and security deposits that mature in more than 12 months.

Equity interests in unconsolidated companies are classified as "Available-for-sale financial assets" and therefore are recognised on the statement of financial position at their fair value. Positive and negative changes in value are recorded directly in other comprehensive income or loss. For shares listed on the stock market and for unlisted shares, fair value is an estimate of their fair value. If the fair value cannot be determined reliably, the shares are recognised at their acquisition cost. If there is an objective indication that these shares may be impaired (a significant or prolonged decline in value), a provision for irreversible impairment is recognised along with an entry to income.

Other non-current financial assets are recorded at amortised cost using the effective interest rate method. If there is an objective indication of impairment loss, a provision for impairment is recognised for the difference between the net carrying amount and the recoverable value, along with an entry to income. This provision may be reversed if the recoverable amount subsequently improves.

1.16 - Inventories of finished goods and work in progress

Inventories mainly include the inventories of finished goods and work in progress for the property development business, assets held for sale and inventories of goods intended for resale as part of the Group's Tourism business. From 1 October 2012, inventories also include the marketing fees incurred by our property development entities.

Inventories of finished goods and work in progress are valued at the lower of their purchase price or production costs, and their probable net realisable amount. If the realisable amount of the inventories (price net of selling expenses) is less than their carrying amount, a provision for impairment loss is recorded accordingly.

The Group applies the percentage of completion method to report the revenue and margins of its property development business. All direct costs for ongoing property development programmes are capitalised in inventories, including any related marketing fees and financial expenses (net of any financial income) that may be attributable to operations. When the work is completed, committed expenditures that are not yet invoiced are capitalised in inventories.

1.17 - Trade receivables

Due to the nature of the Group's businesses, trade receivables are short-term and are therefore recognised at their nominal amount.

A provision for risk of non-recovery of receivables is reported when a debtor shows a risk of insolvency or, where necessary, when recovery of the receivable is contested or is the subject of abnormal payment delays. The provisions are based on an individual or statistical assessment of this risk of non-recovery.

Under the "Ownership & Holidays" sales programme offered to investors in properties developed and marketed by the Group, the buyers do not have to pay out the full purchase costs of the assets. Receivables linked to pre-paid rent commitments receive interest. Repayments are made each year using the rent payments from the *tourism operating* companies, authorised by the owners. They are presented under "Other receivables and pre-paid expenses".

Further, for the accounting of contracts according to the percentage of completion method, trade receivables include:

- calls for funds to buyers as the work progresses for work not yet paid;
- "invoices to be issued" corresponding to calls for funds not yet issued for off-plan sales contracts;
- any offset that may exist between calls for funds and actual progress recorded on the reporting date. These receivables are not due.

1.18 – Prepaid expenses

Pre-paid expenses are expenses paid during one financial year that relate to subsequent years.

1.19 – Cash and cash equivalents

The gross balance of cash and cash equivalents, as presented under assets on the statement of financial position, includes cash and demand deposits, as well as short-term investments (unit trusts – SICAV, and mutual funds) for terms of less than three months, which are classified as available-for-sale securities. These investments comply with the four criteria of the AMF, their terms are for less than three months, they are available for sale at any time for their nominal amount, and the foreign exchange risk is very low.

Cash and cash equivalents in the consolidated statement of cash flows represent gross amounts less overdrafts.

Accrued interest on items included in net cash is reported under net cash.

1.20 – Pierre et Vacances treasury shares

Shares in Pierre et Vacances held by the parent company and/or by Group companies, irrespective of the purpose of the holding, are recorded at their acquisition cost as a reduction to consolidated equity. The result of any sale of treasury shares is recognised directly to consolidated reserves at their value net of tax and does not impact profit (loss) for the year.

1.21 – Share-based payment

Share options granted by the Group to its employees and executives are reported as an employee expense representing services rendered by the beneficiaries of these plans. Thus, the recognised expense reflects the fair value of the options granted calculated on the date of their grant by the Board of Directors using the "Black & Scholes" method. This expense is spread over the vesting period along with corresponding increases in reserves.

The grant of benefits to employees through a Group Share Ownership Plan also falls under the scope of IFRS 2 to the extent that a discount is given when the employee buys the shares. Thus, when the subscription price granted to employees includes a discount from the fair value of the share at the grant date, an expense is recognised immediately or over the vesting period unless acquisition is immediate.

1.22 – Impairment losses

A provision is reported when, at the reporting date, the Group has an obligation to a third party that results from a past generating fact, the measure of which can be estimated reliably and will probably or certainly cause an outflow of resources to the benefit of the third party with no at least equivalent consideration expected from that party. This obligation may be legal, regulatory, contractual or implicit. Provisions are reported at the value that represents the best estimate of the amount to be paid to settle the obligation. If the amount or the maturity cannot be estimated with sufficient reliability, the obligation is treated as a contingent liability and is disclosed in the notes.

Thus, to take account both of its contractual commitments and maintenance policy for the property leased, the Group records provisions for renovation expenses in its financial statements. These provisions are intended to take account of future renovation costs to be paid by the Group through the end of the lease term. They are calculated on the basis of discounted future renovation costs.

Furthermore, in the case of restructuring, an obligation is recognised whenever the restructuring has been announced and included in a detailed, formal plan before the reporting date.

1.23 – Provisions for retirement and other post-employment benefits

Post-employment benefits

The Pierre & Vacances-Center Parcs Group complies with employee retirement legislation, regulations and customs in each of the countries in which it operates.

Group companies pay salary-based contributions to the appropriate institutions. As such, they carry no actuarial liability for these retirement plans. For these defined-contribution plans, payments made by the Group are recorded in profit (loss) as expenses for the period to which they relate.

Certain entities within the Group also have their own retirement plan for their employees. A provision for the corresponding actuarial liability is recorded in the consolidated financial statements. The same applies in France for Group commitments to employees for end of service awards. For these defined benefit plans, the cost of providing the benefits is estimated using a retrospective method based on end of service salaries.

Under this method, the cost of the commitments is recognised as an expense in such a way as to spread it evenly over the employees' period of service. The amount of the provision includes the present value of estimated future payments taking into account length of service, mortality rate, employee turnover rate and valuation and discounting assumptions. For defined-benefit plans partially or wholly financed by contributions paid into a separate fund or an insurance company, the assets of these entities are valued at their fair value. The liability is then recorded in the statement of financial position after deducting the value of the plan assets that cover this obligation.

Actuarial gains and losses result from changes in the actuarial assumptions used for valuations from one year to the next, and from any variance in the obligation or the value of the funds with respect to the actuarial assumptions made at the beginning of the financial year. Under the revised IAS 19 "Employee Benefits", these resulting actuarial gains and losses are recognised in other comprehensive income.

Other long-term benefits

When signing corporate agreements, the Group also grants its personnel other long-term benefits during employment such as bonuses and free holidays at the holiday residence portfolio managed by the Group; they are given to employees according to their years of service. These benefits are also the subject of provisions that are determined by using an actuarial calculation comparable to that used for retirement provisions. Where necessary, the actuarial differences that are revealed in the year are amortised immediately in the year in which they are reported.

Past service cost

The modification or introduction of a new benefits plan after employment has ceased, or other long-term benefits may increase the present value of the obligation reflecting the benefits defined for services rendered during previous years and called "past service costs". These past service costs are expensed immediately in the year they are incurred.

The expense representing the change in net commitments for retirement and other post-employment benefits is recognised in profit or loss from ordinary operations or in other financial income and expenses according to the nature of the underlying items. The effect of the reversal of the discounting of the retirement benefit obligation, net of expected return of plan assets, is reported under "Other financial income and expenses".

The portion at more than one year of the "Provisions for retirement and other post-employment benefits" is classified as non-current provisions and the portion at less than one year as current provisions. This current portion reflects the payments that the Group estimates it will have to make in the 12 months following the reporting date.

1.24 - Loans and other borrowings

Financial liabilities

All loans are initially recorded at the cost which reflects the fair value of the amount received net of the costs for setting up the loan. Thereafter, these loans are recorded at amortised cost using the effective interest rate method and the difference between the cost and the repayment amount is recognised in profit (loss) over the term of the loans.

The effective interest rate is the rate used to obtain the carrying amount of a loan at the outset by discounting the future cash payments and receipts over the life of the loan. The carrying amount of the loan at the outset includes the transaction costs and any associated premiums.

If the future interest expense is hedged, the financial liabilities whose cash flows are hedged continue to be measured at amortised cost, the change in value of the effective portion of the hedging instrument being recognised in other comprehensive income (loss).

In the absence of any hedging relationship, or for the ineffective portion of the hedging instrument, the changes in value of the derivative instruments are recorded in net financial income (expenses).

Convertible OCÉANE-type bonds

Convertible OCÉANE-type bonds are financial instruments that comprise two components:

- a liability component recorded under liabilities;
- an equity component recorded under shareholders' equity.

The liability component equals the discounted amount of the bond coupons payable at a yield similar to that of a regular bond that would have been issued at the same time as the convertible bond. The difference between the liability component and the nominal amount of the convertible bond at the time of issue represents the value of the equity component, which is recorded in equity. The difference between the financial expenses recognised and the actual payments is added at each reporting date to the liability component so that, at maturity, the amount due in the event of non-conversion equals the liability balance.

Bonds redeemable in cash and new and/or existing shares (ORNANE)

The ORNANE bonds are similar to convertible bonds (OCÉANE), which share increases in the Group share price with investors by allotting them an outperformance premium representative of the difference between the stock market share price on the maturity date and the bond's principal.

The Group may thus issue a variable number of shares depending on the share price and the redemption option being exercised. At maturity, the Group may apply the following redemption terms at its discretion:

a) option 1: redemption by conversion into new and/or existing shares;

b) option 2: redemption by paying the principal and the outperformance premium in cash;

c) option 3: redemption by paying the principal and the outperformance premium partly in cash and in new and/or existing shares.

Accordingly, the option component of ORNANE bonds does not meet the condition of exchanging a fixed amount of cash for a fixed number of equity instruments required by IAS 32 in order to recognise a derivative instrument in equity and must therefore be recognised as a derivative instrument at fair value through profit or loss.

As such, ORNANE is a bond comprising two components:

- a liability component recognised at amortised cost under liabilities;
- an equity component (derivative) recognised at *mark-to-market* value under liabilities, the fair value of which is determined as the difference between the fair value of the hybrid contract and the fair value of the liability component. Subsequent changes in fair value are recognised in net financial income (expenses) under a separate item called "Change in the fair value of the ORNANE derivative".

1.25 – Derivative financial instruments

Amounts due to credit institutions offering variable interest rates, the Pierre & Vacances-Center Parcs Group hedges its future interest expense by using derivative financial instruments such as interest rate swaps. The Group's policy is to reduce its exposure to interest rate fluctuations.

These risks are managed centrally, allowing the Group to define the main hedging guidelines. The positions are traded over the counter with first class banking counter parties.

Hedge accounting applies if:

- the hedging relationship is clearly documented at the date it is implemented; and
- the effectiveness of the hedging relationship is demonstrated prospectively and retrospectively at each reporting date.

Derivative financial instruments are reported in the statement of financial position at their fair value. The market value is established on the basis of market data and is confirmed by stock market prices provided by financial institutions.

The changes in the fair value of the instruments acquired to hedge certain liabilities are recognised directly in other comprehensive income (loss) for the effective portion of the hedge and, in the absence of a hedging relationship or for the ineffective portion of the hedge, the changes in the value of the derivative financial instruments are reported in net financial income (expenses).

1.26 – Deferred tax

All temporary differences existing at the reporting date between the carrying amounts of the asset and liability items and the amounts of those same items for tax purposes are recorded as deferred taxes and calculated using the liability method. Deferred taxes on temporary differences and losses carried forward are calculated at approved and quasi-adopted rates that will apply on the probable date of reversal of the differences concerned, if these are fixed, or, failing this, at tax rates approved at the reporting date. The effects of tax rate changes are recorded in profit (loss) for the year during which the rate change is made.

Deferred tax benefits arising from tax losses that can be carried forward are not reported as deferred tax assets unless there is a high likelihood that they will be used within a reasonable period of time.

The tax expense is recognised in profit (loss) except for tax relating to items recognised in other comprehensive income or loss that is recorded directly in other comprehensive income or loss.

Deferred tax assets and liabilities, irrespective of their due date, are not discounted and are offset when they relate to a single tax entity.

1.27 – Deferred income

Deferred income is income that is received or recorded before the underlying services have been performed or the underlying goods have been delivered.

This line item mainly includes:

- sales signed in the presence of a notary for property not yet delivered, for the proportion exceeding the revenue calculated by the percentage of completion method;
- "support funds". Specifically, the "Financial ownership" and "Ownership & Holidays" sales programmes involve the sale of property to owners, accompanied by the Group undertaking to pay an annual rent proportional to the sale price of the property. When the rent commitments are greater than market rates at the time of the sale, the excess rent, called "support funds" is recognised as a reduction in the selling price of the property. In this way, the excess portion of the property development margin is recorded in deferred income and, after the property is delivered, is recognised in profit or loss using a straight-line method over the lease term.

1.28 – Revenue

Consolidated revenue comprises:

- **tourism:** the pre-tax value of holidays and related income earned during the financial year and fees due as part of its marketing activity. For residences run under management agreements, only management fees invoiced to the customer are included in revenue. Revenue for the part of Center Parcs' catering and food trade business, which is outsourced, includes royalties from the service providers;
- **property development:**
  - property sales generated by the property development business and recognised according to the percentage of completion method (see Note 1.29 – Revenue recognition method – Property development) less, on the date the apartments are delivered, the "support funds" (see Note 1.27 – Deferred income). The amount is initially recorded in deferred income and then gradually recognised in revenue using the straight-line method over the term of the lease,
  - project management fees billed as the work progresses to property development programmes,
  - marketing fees.

All revenue is valued at the fair value of the consideration received or to be received, net of rebates, discounts and allowances, VAT and other taxes. Services are recognised when rendered.

1.29 - Revenue recognition method – Property development

Our property development business is mainly based on off-plan sales contracts (VEFA) through which the seller immediately transfers the land rights to the buyer, as well as ownership of the existing buildings. Future construction works become the property of the buyer as and when the work is completed. The costs incurred or future costs and the income from ordinary activities can be reliably measured.

In this case, the buyer has very limited influence over the design of the property.

Accordingly, the risks and advantages corresponding to the ownership of the work in progress are transferred as the work is completed; revenue and margins on property development programmes are reported using the percentage of completion method. In order to apply the percentage of completion method, the Group has defined the rate of completion by multiplying the percentage of construction progress, i.e. the cost of the work completed in relation to the cost of the work budgeted, by the percentage of revenue from property sales signed at a notary's office.

For ongoing programmes that are not yet delivered, when the situation on completion is a loss, a provision for losses on completion, taking account of the most likely assumptions, is immediately reported.

1.30 - Employee expenses

Employee expenses include all the payments and commitments made by the Group, including employee profit-sharing and the expenses associated with share-based payments.

They also include the Competitiveness and Jobs Tax Credit introduced by the 3rd amended finance act for 2012, effective from 1 January 2013. This measure introduces a 4% tax credit calculated per calendar year on remuneration below or equal to 2.5 times the minimum wage paid from 1 January 2013; this was increased to 6% from 1 January 2014. Accrued income is recognised for corresponding remuneration expenses commitment less employee expenses.

1.31 - Other operating income and expenses

Other operating income and expenses are reported in accordance with the AMF guidelines. They only include unusual, irregular and infrequent events. This includes gains and losses on disposals of non current assets, impairment losses of property, plant and equipment, and intangible assets, restructuring expenses and expenses related to legal proceedings, which are material to the Group and affect the comparability of the operating profit (loss) from ordinary activities from one reporting period to another.

1.32 - Income tax

Income tax expense or benefit includes both current tax, the corporate value-added tax (*cotisation sur la valeur ajoutée des entreprises* or CVAE) and deferred tax resulting from temporary differences and consolidation adjustments, where justified by the tax position of the Group's companies.

France's 2010 budget, approved in December 2009, introduced a regional economic tax (*contribution économique territoriale* or CET) to replace business tax (*taxe professionnelle* or TP). The CET has two components: the corporate real estate tax (*contribution foncière des entreprises* or CFE) and the corporate value-added tax (CVAE). The CFE, the extent of which depends on the rental value of property liable for real estate tax, is very similar to business tax and can hence be likened to an operating expense for accounting purposes. The CVAE is based on the added value shown in the parent company financial statements and has a number of characteristics similar to income tax with respect to IAS 12.

Following the advice of the French National Accounting Board *(Conseil National de la Comptabilité)* issued on 14 January 2010, the Group decided to treat the CVAE as an income tax expense.

1.33 - Earnings per share

Earnings per share are calculated by dividing profit (loss) attributable to the owners of the Company by the weighted average number of shares outstanding during the financial year, less the Pierre & Vacances treasury shares recorded as a reduction in equity. The average number of shares outstanding during the financial year is the number of ordinary shares outstanding at the beginning of the financial year, adjusted by the number of ordinary shares repurchased or issued during the year.

To calculate diluted earnings, profit (loss) for the year attributable to the owners of the Company and the weighted average number of shares are adjusted to take account of the maximum impact of the conversion of dilutive instruments into ordinary shares. The impact of any possible future share issue including those resulting from the conversion of instruments that give deferred access to the share capital of the parent company is therefore factored into the calculation of earnings per share.

The negative impact linked to the existence of instruments with an equity component is calculated by taking into account all dilutive instruments issued, whatever their maturity and regardless of the probability of conversion to ordinary shares, excluding instruments with a relutive effect.

For the years disclosed, the existing relutive instruments include share options and bonus share grants. The accretive effects of share options are calculated according to the "share buyback" method by which the funds that will be collected when the option is exercised or the vested shares are purchased are considered to be assigned primarily to repurchasing Pierre & Vacances shares at the market price.

NOTE 2 Highlights for 2013/2014 and scope of consolidation

2.1 - Highlights for 2013/2014

Global refinancing of the Group

In February 2014, the Pierre & Vacances-Center Parcs Group:

- renewed and extended its syndicated loan with the banking partners for an amount of €185 million due in 2019 (compared with €130 million due in 2015);
- issued ORNANE bonds[14] for €115 million maturing on 1 October 2019 and repurchased 96.5% of the number of OCÉANE bonds outstanding[15] originally issued in February 2011 (€116.4 million).

The new financing arrangements, maturing in 2019, have extended the average maturity of the debt and strengthened the Group's financial flexibility.

Development of the tourism offering

Opening of new residences

City residences:

During the 2013/2014 financial year, three new Adagio access residences (Le Havre, Paris Clichy and Paris Reuilly) and one Adagio residence (Rome) opened.

Pierre & Vacances residences in Spain:

During the 2013/2014 financial year, the tourism offering was broadened in Spain with the operation of six new residences in Costa Blanca, Costa Del Sol, the Balearic Islands and Tarragona.

Strengthening the Pierre & Vacances premium label

In 2013/2014, the Pierre & Vacances premium label increased its presence in France and the Caribbean with the opening of a new residence in Roquebrune Cap Martin and the conversion of five Pierre & Vacances residences into Pierre & Vacances premium: Biarritz, Cannes-Mandelieu, Île de Ré, Douarnenez and Saint Anne in Guadeloupe (for a portion of the village).

Development of the fifth Center Parcs village in France, in the Vienne region

The 2013/2014 financial year saw:

- progress of construction work;
- the agreement for the sale of a block of 117 cottages at Groupama Gan Vie for €35.0 million excluding tax on 28 August 2014;
- the reservation of a block of 53 cottages by La Française on 5 September 2014 (on behalf of ERAFP[16]) for €14.9 million excluding tax. The sale of this block was signed on 20 October 2014.

The level of reservations for this programme reached 97% (including reservations from private investors). Specific to this village is its hosting of wild, domestic and free-range animals. This fifth Center Parcs in France will open in June 2015.

Signing of the financing agreements for the first tranche of Villages Nature

On 25 May 2014, the Group and Euro Disney S.C.A announced the signature of financing agreements for the first tranche of Phase 1 of Villages Nature, with the support of institutional investors and, each with a minority interest, the Pierre & Vacances-Center Parcs and Euro Disney S.C.A. groups. The signature of these agreements marks the start of building work on the first tranche, with opening to the general public scheduled for 2016.

The funding necessary for recreational facilities of the first phase (916 cottages and apartments) is provided by a group of institutional investors. The cottages and apartments are mainly sold in bulk to a real estate investment company, to be re-sold to individual investors. Over 230 cottages and apartments have already been sold to individual individuals, and a block of 30 has been sold to an institutional investor.

Center Parcs development projects in France

Center Parcs project in the French Isère region

The appeals submitted by the association opposed to the project resulted in the permits being confirmed (forest clearing and building permit) by the French Council of State. In addition, during the 2013/2014 financial year, government agencies approved the permit applications under the French "Water Act" and "protected species". The Prefect of the Isère signed early October 2014 the decrees on these latest applications to permit work to start.

In November, opponents lodged appeals against these new permits with the administrative court of Grenoble, initially aiming to suspend the work (emergency proceedings) Land clearing operations were nevertheless able to begin on 20 October 2014, but the work was delayed by these legal proceedings and the illegal occupation of the site. The opening to the public scheduled for the summer of 2017 May be postponed to 2018.

Development project for two midsize Center Parcs

On 28 March 2014, the Group announced a project to develop two new-concept Center Parcs with a complex of tourist accommodation with 400 cottages in the Jura and Saône-et-Loire. They represent a €170 million investment (before tax) for each area. The facilities will be funded by a French semi-public company (*société d'économie mixte* – SEM) with the majority of its capital held by the regions concerned. The cottages will be sold to private and institutional investors. The first agreements have been entered into with the French local authorities and the first environmental and planning surveys begun.

The opening of these two villages is scheduled for 2019.

(14) Bonds redeemable in cash and/or new and/or existing shares (ORNANE).
(15) Bonds convertible into new and/or existing shares.
(16) Supplemental retirement fund for civil servants (Établissement de retraite additionnelle de la Fonction publique).

Another project according to this new "model" is being studied in Lot-et-Garonne, and the departmental council has approved this opportunity by agreeing to establish a mixed-enterprise company to acquire the central facilities, enabling the research and initial studies to begin.

Withdrawal of residences after expiry of leases

During the 2013/2014 financial year, the Group withdrew from the operation of four loss-making residences after expiry of leases (in the Mediterranean and the Alps), and four Adagio access residences/residential parks (in Divonne Les Bains, Lyon and Nantes).

2.2 - Main changes in the scope of consolidation

Main changes in the scope of consolidation for the 2013/2014 financial year

Formation of the SNC Nature Hébergements 1

On 25 April 2014 a structure was created in order to acquire off-plan 783 Villages Nature programme lots. Since 23 May 2014, this entity, SNC Nature Accommodations 1, is 50%-owned by Eurosic SA, 37.5% by Immobilier Holding SAS and 12.5% by Val d'Europe Promotion SAS, a subsidiary of Euro Disney S.C.A. The partners carried out several capital increases, bringing the equity value to €20 million at 30 September 2014. The Group investments for the 2013/2014 financial year totalled €7,500,000.

In the consolidated financial statements for the year ended 30 September 2014, the entity has been consolidated using the equity method as the Pierre & Vacances-Center Parcs Group exercises significant influence over it.

This entity markets all these lots to private investors through PVCI. At 30 September 2014, 121 lots were sold (deeds signed before a notary).

In addition, during the 2013/2014 financial year, the Group continued its policy of rationalising and simplifying operations and legal organisations by creating new companies or making internal changes of scope (mergers and liquidations of companies through the transfer of all assets and liabilities).

Main changes in the scope of consolidation for the 2012/2013 financial year

Exercise of the purchase option granted as part of the acquisition of Les Senioriales Group

On 6 December 2012, the Pierre & Vacances Group purchased a 4.97% non-controlling interest in Les Senioriales business segment for €2,198,000.

During the acquisition of Les Senioriales Group in 2007, a purchase option was granted to its manager, resulting in the recognition of a liability of €1,100,000.

The surplus corresponding to the difference between the actual payment and the amount anticipated at the time of the acquisition resulted in the recognition of additional goodwill totalling €1,098,000.

Disposal of our share in Société de Développement de Résidences Touristiques

On 18 March 2013, Pierre & Vacances Maroc sold its 15% share in Société de Développement de Résidences Touristiques to its Moroccan partner, Caisse de Dépôt et de Gestion, for the sum of €22.4 million Moroccan Dirhams, or approximately €2 million.

This sale generated a capital gain of €226,000.

On the same day, Pierre & Vacances Maroc also sold half of its share in SDRT-Immo for the sum of 75,000 Moroccan Dirhams, or approximately €7,000. Following this partial disposal, the Group has only a 25% interest in the company, which is now consolidated using the equity method (previously it had been proportionally consolidated).

Takeover of Entwichiungsgeseiischajt Ferienhauspark Bostalsee

On 26 September 2013, Pierre et Vacances SA increased its share in the German company Center Parcs Entwichlungsgesellschaft Ferienhauspark Bostalsee (EFB) from 19.90% to 90%.

This company is responsible for marketing the 500 cottages built as part of the development of the new Bostalsee Center Parcs in Germany to individual investors.

The acquisition of a controlling interest in this company, which occurred at the same date as the date from which Pierre & Vacances-Center Parcs started managing the marketing of the 500 cottages, was deemed effective from 1 April 2013.

On the date this entity entered the consolidation scope, it had a net positive impact of €3,300,000 on the Group's net cash. At that time it presented a bank debt of €36,360,000, property inventory of €51,506,000 and residual working capital requirements of -€17,366,000.

This acquisition resulted in the recognition of badwill to the sum of €840,000, which was immediately recorded in income.

The EFB company is now fully consolidated.

2.3 – Main consolidated entities

French companies

Legal form	Company	Consolidation method[1]	% interest at 30/09/2014	% interest at 30/09/2013
Holding Companies				
SA	Pierre & Vacances	Parent company	100.00%	100.00%
SNC	Pierre & Vacances FI	Full	100.00%	100.00%
EIG	PV-CP Services	Full	100.00%	100.00%
Tourism France				
SA	Pierre & Vacances Tourisme Europe	Full	100.00%	100.00%
Center Parcs				
SAS	SAS Center Parcs Holding Belgique	Full	100.00%	100.00%
PROPERTY DEVELOPMENT				
SAS	PV-CP Immobilier Holding SAS	Full	100.00%	100.00%
SAS	Pierre & Vacances Senioriales Programme Immobilier	Full	100.00%	100.00%
SARL	Pierre & Vacances Transactions	Full	100.00%	100.00%
SAS	PV Prog Holding	N/A	0.00%	100.00%
TOURISM BUSINESS				
Tourism France				
SARL	Clubhotel	Full	100.00%	100.00%
SA	Clubhotel Multivacances	Full	100.00%	100.00%
SARL	Club Univers de France	Full	99.00%	99.00%
SNC	Commerce Patrimoine Cap Esterel	Full	100.00%	100.00%
SA	Compagnie Hôtelière Pierre & Vacances	Full	100.00%	100.00%
SAS	Holding Rénovation Tourisme	Full	100.00%	100.00%
SNC	Le Christiana Loisirs	N/A	0.00%	100.00%
SNC	NLD	Proportional	50.00%	50.00%
SAS	Orion	Full	100.00%	100.00%
SNC	Plagne Gémeaux Loisirs	N/A	0.00%	100.00%
SAS	Pierre & Vacances Esterel Développement	Full	100.00%	100.00%
SA	PV-CP Distribution	Full	100.00%	100.00%
SAS	Pierre & Vacances Rénovation Tourisme	Full	100.00%	100.00%
SAS	PV-CP City	Full	100.00%	100.00%
SAS	PV-CP Holding Exploitation	Full	100.00%	100.00%
SAS	PV-CP Gestion Exploitation	Full	100.00%	100.00%
SAS	PV Résidences & Resorts France	Full	100.00%	100.00%
SAS	SET Pierre & Vacances Guadeloupe	Full	100.00%	100.00%
SAS	SET Pierre & Vacances Martinique	Full	100.00%	100.00%
SARL	SGRT	Full	100.00%	100.00%
SNC	SICE	Full	100.00%	100.00%
SARL	Société de Gestion des Mandats	Full	100.00%	100.00%
SNC	Société Hôtelière de l'Anse à la Barque	Full	100.00%	100.00%
SA	Sogire	Full	100.00%	100.00%

(1) Full: fully consolidated. Proportional: Proportionally consolidated. Equity: Equity-accounted N/A: not applicable.

Legal form	Company	Consolidation method[1]	% interest at 30/09/2014	% interest at 30/09/2013
Adagio				
SAS	Adagio	Proportional	50.00%	50.00%
SAS	Adagio Formations & Prestation de Services	Proportional	50.00%	50.00%
Center Parcs				
SAS	Center Parcs Resorts France	Full	100.00%	100.00%
SNC	Domaine du Lac de l'Ailette village	Full	100.00%	100.00%
PROPERTY DEVELOPMENT				
Property development France				
SNC	Aix Centre Loisirs	N/A	0.00%	100.00%
SNC	Avoriaz Équipements	Full	100.00%	100.00%
SNC	Avoriaz Maeva Loisirs	Full	100.00%	100.00%
SNC	Avoriaz Pierre & Vacances Loisirs	Full	100.00%	100.00%
SNC	Avoriaz Résidences MGM Loisirs	Full	100.00%	100.00%
SNC	Avoriaz Résidences MGM Loisirs II	Full	100.00%	100.00%
SNC	Biarritz Loisirs	Full	100.00%	100.00%
SNC	Belle Dune Village	Full	100.00%	100.00%
SNC	Bois de la Mothe Chandenier Cottages	Full	100.00%	100.00%
SNC	Bois de la Mothe Chandenier Équipements	Full	100.00%	100.00%
SNC	Bois de la Mothe Chandenier Foncière	Full	100.00%	100.00%
SNC	Bois Francs Rénovation	N/A	0.00%	100.00%
SNC	Caen Meslin Loisirs	Proportional	40.00%	40.00%
SNC	Chamonix Loisirs	Full	100.00%	100.00%
SNC	Chaumont Cottages	Full	100.00%	100.00%
SNC	Chaumont Équipements	N/A	0.00%	100.00%
SNC	Chaumont Foncière	N/A	0.00%	100.00%
SNC	Colmar Loisirs	Full	100.00%	100.00%
SARL	Cobim	Full	100.00%	100.00%
SNC	Courseulles sur Mer Loisirs	N/A	0.00%	100.00%
SNC	Danestal Tourisme Développement	Full	0.00%	100.00%
SNC	Dhuizon Loisirs	Full	100.00%	100.00%
SNC	Flaine Montsoleil Centre	Full	100.00%	100.00%
SNC	Flaine Montsoleil Extension	Full	100.00%	100.00%
SNC	Houlgate Loisirs	Full	100.00%	100.00%
SNC	Le Hameau de Pont Royal Loisirs	N/A	0.00%	100.00%
SNC	Le Havre Loisirs	Full	100.00%	100.00%
SNC	Le Rouret Loisirs	Full	100.00%	100.00%
SCI	Les Senioriales Boulou	Full	100.00%	100.00%
SCI	Les Senioriales Charleval	Full	100.00%	100.00%
SCI	Les Senioriales d'Equemauville	N/A	0.00%	100.00%
SCI	Les Senioriales de Bassan	Full	100.00%	100.00%
SCI	Les Senioriales de Bracieux	Full	100.00%	100.00%
SCI	Les Senioriales de Cavillargues	Full	100.00%	100.00%

(1) Full: fully consolidated. Proportional: Proportionally consolidated. Equity: Equity-accounted N/A: not applicable.

Legal form	Company	Consolidation method(1)	% interest at 30/09/2014	% interest at 30/09/2013
SCI	Les Senioriales de Cevennes – St Privat des Vieux	Full	100.00%	100.00%
SCI	Les Senioriales de Gonfaron	Full	100.00%	100.00%
SCI	Les Senioriales d'Izon	Full	100.00%	100.00%
SCI	Les Senioriales de Jonquières	Full	100.00%	100.00%
SCI	Les Senioriales de Juvignac	Full	100.00%	100.00%
SCI	Les Senioriales de la Celle	Full	100.00%	100.00%
SCI	Les Senioriales de la Côte d'Azur – Grasse	Full	100.00%	100.00%
SCI	Les Senioriales de Lacanau	N/A	0.00%	100.00%
SCI	Les Senioriales de Medis	Full	100.00%	100.00%
SCI	Les Senioriales de Montagnac	Full	100.00%	100.00%
SCI	Les Senioriales de Montélimar	N/A	0.00%	100.00%
SCI	Les Senioriales de Nandy	Full	100.00%	100.00%
SCI	Les Senioriales de Paradou	Full	100.00%	100.00%
SCI	Les Senioriales de Pont Aven	Full	100.00%	100.00%
SCI	Les Senioriales de Pringy	Full	100.00%	100.00%
SCI	Les Senioriales de Rambouillet	Full	100.00%	100.00%
SCI	Les Senioriales de Ruoms	N/A	0.00%	100.00%
SCI	Les Senioriales de Saint Gatien	N/A	0.00%	100.00%
SCI	Les Senioriales de Salles sur Mer	Full	100.00%	100.00%
SCI	Les Senioriales de Soulac	Full	100.00%	100.00%
SCI	Les Senioriales de Vias	Full	100.00%	100.00%
SCI	Les Senioriales des Landes – Hinx	Full	100.00%	100.00%
SCI	Les Senioriales du Lombez	N/A	0.00%	100.00%
SCI	Les Senioriales Rochefort du Gard	Full	100.00%	100.00%
SCI	Les Senioriales St Julien des Landes	Full	100.00%	100.00%
SCI	Les Senioriales de St Laurent de la Prée	Full	100.00%	100.00%
SCI	Les Senioriales en Ville d'Agde	N/A	0.00%	100.00%
SCI	Les Senioriales en Ville de Bruges	Full	100.00%	100.00%
SCI	Les Senioriales en Ville Cenon	Full	100.00%	100.00%
SCI	Les Senioriales en Ville de Luce	Full	100.00%	100.00%
SCI	Les Senioriales en Ville de Marseille – St Loup	Full	100.00%	100.00%
SCI	Les Senioriales en Ville de Montélimar	N/A	0.00%	100.00%
SCI	Les Senioriales en Ville de Perpignan	Full	100.00%	100.00%
SCI	Les Senioriales en Ville de Saint Avertin	Full	100.00%	100.00%
SCI	Les Senioriales en Ville d'Emerainville	Full	100.00%	100.00%
SCI	Les Senioriales en Ville Manosque	Full	100.00%	100.00%
SCI	Les Senioriales en Ville de Mions	Full	100.00%	100.00%
SCI	Les Senioriales de Pollestres	Full	100.00%	0.00%
SCI	Les Senioriales Ville de Nîmes	Full	100.00%	0.00%
SCI	Les Senioriales Teyran	Full	100.00%	100.00%
SCI	SCI Les Senioriales Ville de Castanet	Proportional	50.00%	0.00%
SAS	Les Villages Nature de Val d'Europe	Proportional	50.00%	50.00%

(1) Full: fully consolidated. Proportional: Proportionally consolidated. Equity: Equity-accounted N/A: not applicable.

Legal form	Company	Consolidation method[1]	% interest at 30/09/2014	% interest at 30/09/2013
SCI	Montrouge Développement	Proportional	50.00%	50.00%
SNC	Nancy Loisirs	Full	100.00%	100.00%
SCCV	Nantes Russeil	Proportional	50.00%	50.00%
SARL	Peterhof II	Full	100.00%	100.00%
SA	Pierre & Vacances Conseil Immobilier	Full	100.00%	100.00%
SARL	Pierre & Vacances Courtage	Full	100.00%	100.00%
SA	Pierre & Vacances Développement	Full	100.00%	100.00%
SAS	Pierre & Vacances Senioriales Promotion et Commercialisation	Full	100.00%	100.00%
SAS	Pierre & Vacances Senioriales Exploitation	Full	100.00%	100.00%
SNC	Plagne Lauze Tourisme Développement	N/A	0.00%	100.00%
SNC	Presqu'île de la Touques	Full	100.00%	100.00%
SAS	Foncière Presqu'île de La Touques	Proportional	50.00%	0.00%
SNC	CP Centre Est	Full	100.00%	100.00%
SNC	St Cast Le Guildo Loisirs	Full	100.00%	100.00%
SAS	Tourisme et Rénovation	Full	100.00%	100.00%
SNC	Tréboul Tourisme Développement	Full	100.00%	100.00%
SNC	Villages Nature Hébergements	Proportional	50.00%	50.00%
SNC	SNC Villages Nature Hébergements II	Proportional	50.00%	50.00%
SNC	SNC Villages Nature Équipements I	Proportional	50.00%	50.00%
SNC	SNC Villages Nature Équipements II	Proportional	50.00%	50.00%
SAS	Villages Nature Tourisme	Proportional	50.00%	0.00%
SNC	Nature hébergement I	Equity	37.50%	0.00%
SARL	Villages Nature Management	Proportional	50.00%	50.00%
Center Parcs				
SNC	Ailette Équipement	Full	100.00%	100.00%
SNC	Bois des Harcholins Foncière	Full	100.00%	100.00%
SNC	Bois des Harcholins Spa	Full	100.00%	100.00%
SNC	Bois des Harcholins Village	Full	100.00%	100.00%
SNC	Bois des Harcholins Village II	Full	100.00%	100.00%
SNC	Bois Francs Cottages	Full	100.00%	100.00%
SNC	Bois Francs Foncière	Full	100.00%	100.00%
SNC	Les Hauts de Bruyères Cottages	Full	100.00%	100.00%
SNC	Roybon Cottages	Full	100.00%	100.00%
SNC	Roybon Équipements	Full	100.00%	100.00%
OTHER				
SAS	Pierre & Vacances Investissement 24	Full	100.00%	100.00%
SAS	Pierre & Vacances Investissement 38	Full	100.00%	100.00%
SAS	Pierre & Vacances Marques	Full	100.00%	100.00%

(1) *Full: fully consolidated. Proportional: Proportionally consolidated. Equity: Equity-accounted N/A: not applicable.*

Foreign companies

Legal form	Company	Country	Consolidation method[1]	% interest at 30/09/2014	% interest at 30/09/2013
HOLDING COMPANIES					
Center Parcs					
NV	Center Parcs Europe	The Netherlands	Full	100.00%	100.00%
GmbH	Center Parcs Deutschland Kunden-Center	Germany	Full	100.00%	100.00%
GmbH	Center Parcs Germany	Germany	Full	100.00%	100.00%
BV	Center Parcs Germany Holding	The Netherlands	Full	100.00%	100.00%
GmbH	Center Parcs Medebach Beteiligungs	Germany	Full	100.00%	100.00%
BV	Center Parcs NL Holding	The Netherlands	Full	100.00%	100.00%
BV	Center Parcs Participations	The Netherlands	Full	100.00%	100.00%
GmbH S Co.KG	Center Parcs Service	Germany	Full	100.00%	100.00%
BV	Center Parcs Sunparks	The Netherlands	Full	100.00%	100.00%
GmbH	Pierre & Vacances-Center Parcs Suisse	Switzerland	Full	100.00%	100.00%
BV	PVCP Support Services	The Netherlands	Full	100.00%	100.00%
TOURISM BUSINESS					
Center Parcs					
GmbH	Center Parcs Allgäu	Germany	Full	94.00%	94.00%
NV	Center Parcs Belgie	Belgium	Full	100.00%	100.00%
GmbH	Center Parcs Bungalowpark Bispingen	Germany	Full	100.00%	100.00%
GmbH	Center Parcs Bungalowpark Bostalsee	Germany	Full	100.00%	100.00%
GmbH	Center Parcs Entwickelungsgesellschaft	Germany	Full	100.00%	100.00%
GmbH	Center Parcs Bungalowpark Heilbachsee	Germany	Full	100.00%	100.00%
GmbH	Center Parcs Bungalowpark Hochsauerland	Germany	Full	100.00%	100.00%
GmbH	Center Parcs Leisure Deutschland	Germany	Full	100.00%	100.00%
NV	Center Parcs Netherlands	The Netherlands	Full	100.00%	100.00%
NV	CP SP België	Belgium	Full	100.00%	100.00%
GmbH	Sunparks Bungalowpark Nordseeküste	Germany	Full	100.00%	100.00%
NV	Sunparks Groep	Belgium	Full	100.00%	100.00%
NV	Sunparks Vielsalm	Belgium	Full	100.00%	100.00%
NV	Sunparks Leisure	Belgium	Full	100.00%	100.00%
Adagio					
GmbH	Adagio Deutschland	Germany	Proportional	50.00%	50.00%
Ltd	Adagio Hotels UK	United Kingdom	Proportional	50.00%	50.00%
GmbH	New City Aparthotels Betriebs	Austria	Proportional	50.00%	50.00%
SARL	New City Suisse	Switzerland	Proportional	50.00%	50.00%
Srl	Adagio Italy	Italy	Proportional	50.00%	0.00%
SA	Pierre & Vacances Exploitation Belgique	Belgium	Full	100.00%	100.00%
Orion					
SA	Orion Exploitation Bruxelles Belliard	Belgium	Full	100.00%	100.00%
SL	SET Orion	Spain	Full	100.00%	100.00%

(1) Full: fully consolidated. Proportional: Proportionally consolidated. Equity: Equity-accounted. N/A: not applicable.

Legal form	Company	Country	Consolidation method(1)	% interest at 30/09/2014	% interest at 30/09/2013
Other tourism					
Srl	Part House	Italy	Proportional	55.00%	55.00%
Srl	Pierre & Vacances Italia	Italy	Full	100.00%	100.00%
Ltd	Pierre & Vacances UK	United Kingdom	Full	100.00%	100.00%
SL	Pierre & Vacances Maeva Distribution España	Spain	Full	100.00%	100.00%
SL	SET Pierre & Vacances España	Spain	Full	100.00%	100.00%
PROPERTY DEVELOPMENT					
SL	Bonavista de Bonmont	Spain	Full	100.00%	100.00%
SL	Nuit & Jour Projections	Spain	Full	50.00%	50.00%
SL	Pierre & Vacances Développement España	Spain	Full	100.00%	100.00%
SL	Pierre & Vacances Inversion Inmobiliaria	Spain	Full	100.00%	100.00%
Srl	Résidence City	Italy	Full	100.00%	100.00%
SA	SDRT Immo	Morocco	Equity	25.00%	25.00%
OTHER					
GmbH	Center Parcs Entwicklungsgesellschaft Ferienhauspark Bostalsee	Germany	Full	90.00%	90.00%
BV	Center Parcs Netherlands 2	The Netherlands	Full	100.00%	100.00%
BV	Multi Resorts Holding	The Netherlands	Full	100.00%	100.00%
BV	Pierre & Vacances Group Trademarks	The Netherlands	Full	100.00%	100.00%
BV	Pierre & Vacances Group Trademarks Management	The Netherlands	Full	100.00%	100.00%
SAS	Pierre & Vacances Maroc	Morocco	Full	100.00%	100.00%

(1) Full: fully consolidated. Proportional: Proportionally consolidated. Equity: Equity-accounted. N/A: not applicable.

Segment information

Based on the internal organisation of the Group described in the 2010/2011 annual report, the segment information shows the tourism business and the property development business. This breakdown reflects the operational organisation of the Group in terms of management and control of operations.

The Group develops its activities through two complementary business lines:

- the property development segment, which aims to increase the holiday destinations available and adapt the existing residences and villages to suit changes in customer requirements. This segment includes the construction activities and the marketing to individual investors of hotel rooms, apartments and new or renovated houses. The property development programmes currently available are mainly located in France and Spain. This segment also includes the development of the Les Senioriales, specialising in building and marketing residences in France and aimed at a customer base of active seniors. The full ownership of the houses is sold without any operating commitment on the part of the Group;
- the tourism segment called "Tourisme Europe", which includes the operation of residences and villages marketed under the Pierre & Vacances, Maeva, Adagio, Center Parcs and Sunparks brands, located in Europe, mainly France, the Netherlands, Germany, Belgium and Spain.

Within each business segment, there is a country-based organisation that runs the activities from day-to-day. Revenue and total non-current assets in France, where the registered office of the parent company is located, amounted to €978,420,000 and €840,895,000, respectively.

Inter-segment revenue is generated under normal market conditions. No single customer represents a significant share of the revenue of the Pierre & Vacances-Center Parcs Group.

The unassigned assets include long-term investments, other assets of a financial nature, current and deferred tax receivables and non-current assets.

The unassigned liabilities include bank borrowings and current and deferred tax payables.

NOTE 3 Operating segment information

(in € thousands)	2013/2014 Tourism business	Property development	Unassigned	Total
Revenue	1,155,727	278,323	-	1,434,050
Intra-business group revenue	-14,645	-3,971	-	-18,616
External revenue	**1,141,082**	**274,352**	**0**	**1,415,434**
Operating profit (loss) from ordinary activities	**-6,898**	**19,057**	**0**	**12,159**
Other operating income and expenses	-7,417	-1,391	-747	-9,555
Operating profit (loss)	**-14,315**	**17,666**	**-747**	**2,604**
Depreciation and amortisation	**-46,616**	**-311**	**0**	**-46,927**
Asset impairment losses net of write-backs	25	0	-307	-282
Property, plant and equipment, and intangible assets	**21,335**	**1,175**	**3,912**	**26,422**
Non-current assets	544,197	34,958	112,516	691,671
Current assets	302,504	636,700	88,339	1,027,543
Total assets	**846,701**	**671,658**	**200,855**	**1,719,214**
Non-current liabilities	23,797	1,068	267,439	292,304
Current liabilities	497,196	449,486	106,640	1,053,322
Total liabilities excluding equity	**520,993**	**450,554**	**374,079**	**1,345,626**

(in € thousands)	2012/2013 restated(*) Tourism business	Property development	Unassigned	Total(*)
Revenue	1,148,595	171,229	-	1,319,824
Intra-business group revenue	-11,593	-1,538	-	-13,131
External revenue	**1,137,002**	**169,691**	**0**	**1,306,693**
Operating profit (loss) from ordinary activities	**-12,253**	**14,945**	**0**	**2,692**
Other operating income and expenses	-32,875	-970	0	-33,845
Operating profit (loss)	**-45,128**	**13,975**	**0**	**-31,153**
Depreciation and amortisation	**-47,756**	**-208**	**-**	**-47,964**
Impairment losses net of write-backs	-565	-	-	-565
Property, plant and equipment, and intangible assets	**22,226**	**326**	**3,651**	**26,203**
Non-current assets	570,044	23,893	109,903	703,840
Current assets	302,228	552,905	83,028	938,161
Total assets	**872,272**	**576,798**	**192,931**	**1,642,001**
Non-current liabilities	26,339	995	257,687	285,021
Current liabilities	493,605	332,074	134,366	960,045
Total liabilities excluding equity	**519,944**	**333,069**	**392,053**	**1,245,066**

(*) Restated for the retrospective corrections described in Notes 1.3.

Analysis of main statement of financial position items

NOTE 4 Goodwill

(in € thousands)	30/09/2014	30/09/2013
Tourisme Europe	135,644	135,644
Les Senioriales	18,926	18,926
Pierre & Vacances Développement	1,463	1,463
Pierre & Vacances Développement España	336	336
TOTAL NET AMOUNT	**156,369**	**156,369**

Goodwill was automatically tested for impairment loss at 30 September 2014, according to the procedures described in Notes 1.11 and 6. The tests carried out did not reveal the need to recognise any impairment losses for financial year 2013/2014. The same applied at 30 September 2013.

Net amount at reporting date

(in € thousands)	30/09/2014	30/09/2013
Gross amount	179,058	179,058
Accumulated impairment loss	-22,689	-22,689
NET AMOUNT	**156,369**	**156,369**

NOTE 5 Intangible assets

(in € thousands)	Brand names	Other intangible assets	Total intangible assets
At 30 September 2012			
Gross amount	105,877	39,647	145,524
Accumulated depreciation, amortisation and impairment losses	-3,734	-25,583	-29,317
NET AMOUNT	**102,143**	**14,064**	**116,207**
Changes			
Acquisitions	-	5,274	5,274
Net disposals and retirements	-	-110	-110
Business combinations	-	-	-
Depreciation	-	-3,281	-3,281
Impairment losses	-	-	-
Reclassifications	-	4,810	4,810
TOTAL CHANGES FOR THE YEAR	**-**	**6,693**	**6,693**
At 30 September 2013			
Gross amount	105,877	48,014	153,891
Accumulated depreciation, amortisation and impairment losses	-3,734	-27,257	-30,991
NET AMOUNT	**102,143**	**20,757**	**122,900**
Changes			
Acquisitions	-	7,840	7,840
Net disposals and retirements	-	-1,058	-1,058
Depreciation	-	-6,028	-6,028
Reclassifications	-	-141	-141
TOTAL CHANGES FOR THE YEAR	**-**	**613**	**613**
At 30 September 2014			
Gross amount	105,877	50,293	156,170
Accumulated depreciation, amortisation and impairment losses	-3,734	-28,923	-32,657
NET AMOUNT	**102,143**	**21,370**	**123,513**

Intangible assets at 30 September 2014 consisted of:

- "**Brand names**" including:
  - €85,870,000 for the Center Parcs brand,
  - €7,472,000 for the Pierre et Vacances brand,
  - €3,279,000 for the Sunparks brand,
  - €3,236,000 for the Maeva brand,
  - €2,040,000 for the Les Senioriales brand,
  - €114,000 for the Multivacances brand,
  - €100,000 for the Adagio brand,
  - €32,000 for the Ecolidays brand.

  According to the method described in the accounting policies for intangible assets (Note 1.12 – Intangible assets), an impairment test was carried out at 30 September 2014 for each of the brand names on the statement of financial position. These tests did not lead the Group to recognise impairment losses on brand names for financial year 2013/2014;
- "**Other intangible assets**" for €21,370,000. The change is essentially due to:
  - €7,840,000 in capital investments, including technical and functional enhancements to the Group's booking system (€3,104,000), the Group's websites (€1,451,000) and the customer database (€914,000), as well as enhancements to the Group's pricing tool (€939,000) and various IT projects (mainly acquisition of servers) for €1,432,000,
  - €1,058,000 in various disposals.

Finance leases

At 30 September 2014, the net amount of "Intangible assets" included €2,905,000 representing the restatement of such assets under finance leases, compared with €4,217,000 at 30 September 2013.

The corresponding residual financial liability stood at €2,985,000 at 30 September 2014, compared with €4,217,000 at 30 September 2013 (see Note 19 – Financial liabilities).

At 30 September 2014, the line item "Finance leases" primarily includes IT solutions.

NOTE 6 Impairment testing of goodwill and intangible assets with indefinite useful lives

Intangible assets with indefinite useful lives consist primarily of brand names and goodwill. These assets are not amortised. They are subject to impairment testing whenever there is an indication that they may be impaired and at least once a year at the reporting date, namely at 30 September of each year.

As indicated in Note 1.11 – Goodwill impairment tests and Note 1.12 – Intangible assets, and in the absence of a fair value less selling costs available at the reporting date, the recoverable value of the cash generating units (CGUs) is determined on the basis of their value in use.

The recoverable amount of each group of assets tested was therefore compared with its value in use, which is defined as being equal to the sum of the future net discounted cash flows.

Cash flows were based on five-year business plans prepared by the operating and finance managers of a CGU or CGU group whose main assumptions (average net selling prices, occupancy rates, inflation, etc.) were reviewed by the Group's Finance Department, according to the division's past performance and external macro-economic information in Europe. The assumptions used to estimate the value in use are based on forecast cash flows from operating activities, which are driven mainly by:

- change in revenue, which varies according to the offering, occupancy rates, average sales prices and the distribution strategy;
- the implementation of a new cost reduction plan;
- and finally, the lease renewal policy enabling the lowering of the rent expense.

With respect to property development activities, the assumptions used take into account projects already identified and data related to future projects. The latter are evaluated with caution; they relate to projects for which land has been identified and for which feasibility studies have already begun. Historically, these projects correspond to approximately ten developments per year, the average number of projects that this entity is capable of implementing in its current form.

Beyond this explicit projection period, cash flows are extrapolated by applying a perpetual growth rate which, using a conservative approach, was assumed to be slightly lower than the long-term growth rate of the countries in which the businesses operate. The main assumptions used to determine the terminal value are based on historical and prospective data. The latter are prepared by the operational departments concerned, namely the Sales Department, in relation to occupancy rate and marketing, Pricing and Revenue Management for average sales prices, and Business Line for operating margins.

Lastly, the discount rate used in determining values in use justifying the carrying amount of the assets is based on the weighted average cost of the Group's capital. The latter is calculated from the rate of return on 10-year French government bonds and sectoral characteristics, primarily to assess the risk premium and the marginal borrowing cost.

Within each business segment, the CGU group used to assess the recoverable amount of the assets reflects the Group's activities in terms of financial reporting. Hence, the main CGUs of the Pierre & Vacances-Center Parcs Group, to which virtually all the goodwill and brand names on the statement of financial position relate, are:

- tourism: the Tourisme Europe CGU which includes the operation of residences and villages in Europe and mainly in France, the Netherlands, Germany, Belgium and Spain;
- property development: primarily Les Senioriales CGU which relates to the property development and marketing in France of residences targeting active seniors.

Analysis of the allocation of goodwill and brand names to the various CGUs thus identified at 30 September 2014 and 30 September 2013.

(in € thousands)	30/09/2014 Goodwill	30/09/2014 Brand name	30/09/2014 Total	30/09/2013 Goodwill	30/09/2013 Brand name	30/09/2013 Total
Tourisme Europe	135,644	100,103	235,747	135,644	100,103	235,747
Les Senioriales	18,926	2,040	20,966	18,926	2,040	20,966
Other CGU groups	1,799	-	1,799	1,799	-	1,799
TOTAL NET AMOUNT	**156,369**	**102,143**	**258,512**	**156,369**	**102,143**	**258,512**

The table below summarises the main assumptions used to estimate the value in use and the sensitivity of that recoverable value to changes in perpetual growth rate, discount rate and revenue indicators (such as occupancy rate and average selling rates) of the main CGUs and CGU groups that represent the majority of the goodwill and intangible assets with indefinite useful lives:

	Tourisme Europe
Perpetual growth rate	**1.5%** (the same as at 30 September 2013)
Discount rate used	**9.5%** (the same as at 30 September 2013)
Sensitivity of the recoverable amount to the perpetual growth rate	A half-point increase and decrease in the perpetual growth rate has an impact of 6% and -5%, respectively, on the recoverable amount. This variation does not lead to the recognition of impairment losses.
Sensitivity of the recoverable amount to the discount rate	A one-point increase and decrease in the discount rate has an impact of -13% and 17%, respectively, on the recoverable amount. This variation does not lead to the recognition of impairment losses.
Sensitivity of the recoverable amount to the occupancy rate	A one-point increase and decrease in the occupancy rate has an impact of 12% and -12%, respectively, on the recoverable amount. This variation does not lead to the recognition of impairment losses.
Sensitivity of the recoverable amount to the average selling rate	A one-point increase and decrease in the average selling rate has an impact of 10% and -10%, respectively, on the recoverable amount. This variation does not lead to the recognition of impairment losses.
Sensitivity of the recoverable amount to the margin rate	A one-point increase and decrease in the margin rate has an impact of 11% and -11%, respectively, on the recoverable amount. This variation does not lead to the recognition of impairment losses.

At 30 September 2014, sensitivity testing to the key assumptions detailed above did not lead to the recognition of impairment losses, since the useful value of the CGUs remains higher than their carrying amount.

The amount of goodwill and tangible and intangible assets allocated to the Tourisme Europe business does not have to be impaired as long as the occupancy rate does not drop more than 2% or the average selling rate more than 2.6%.

The same discount rate assumption was used for Les Senioriales. The sensitivity tests on the assumptions of perpetual growth rate and discount rate yielded results which were very close to those obtained for the Tourisme Europe business.

NOTE 7 Property, plant and equipment

(in € thousands)	Land	Buildings	Fixtures and fittings	Other property, plant and equipment, and assets in progress	Total property, plant and equipment
At 30 September 2012					
Gross amount	19,856	244,380	280,426	149,603	694,265
Accumulated depreciation, amortisation and impairment losses	-931	-82,527	-152,773	-104,782	-341,013
NET AMOUNT	**18,925**	**161,853**	**127,653**	**44,821**	**353,252**
Changes					
Acquisitions	75	1,690	3,573	15,591	20,929
Net disposals and retirements	-110	-712	6	-1,554	-2,370
Business combinations	9	140	23	0	172
Depreciation	-7	-7,028	-28,713	-10,071	-45,819
Reclassifications	-1,171	-4,516	10,828	-6,669	-1,529
TOTAL CHANGES FOR THE YEAR	**-1,204**	**-10,426**	**-14,283**	**-2,703**	**-28,616**
At 30 September 2013					
Gross amount	18,653	233,221	300,431	153,210	705,515
Accumulated depreciation, amortisation and impairment losses	-932	-81,794	-187,061	-111,092	-380,879
NET AMOUNT	**17,721**	**151,427**	**113,370**	**42,118**	**324,636**
Changes					
Acquisitions	52	1,469	2,630	14,431	18,582
Net disposals and retirements	0	27	-37	-128	-138
Depreciation	-594	-8,326	-23,670	-8,615	-41,205
Reclassifications	-157	-1,135	7,077	-7,116	-1,331
TOTAL CHANGES FOR THE YEAR	**-699**	**-7,965**	**-14,000**	**-1,428**	**-24,092**
At 30 September 2014					
Gross amount	18,548	232,784	286,658	149,790	687,780
Accumulated depreciation, amortisation and impairment losses	-1,526	-89,322	-187,288	-109,100	-387,236
NET AMOUNT	**17,022**	**143,462**	**99,370**	**40,690**	**300,544**

Property, plant and equipment items, with a total net carrying amount of €300,544,000 at 30 September 2014, essentially include the assets used in the operations of:

- **the Center Parcs and Sunparks villages,** with a net amount of €214,458,000, mainly consisting of furniture and general fittings needed for operating the villages.

  The main changes for the year arose from:

  - investments of €10,158,000 for improving the product mix of all the Center Parcs villages, including €3,208,000 for the Dutch villages, €2,839,000 for the Belgian villages, €2,455,000 for the French villages and €1,657,000 for the German villages,
  - depreciation for the period of €27,746,000;

- **the Pierre & Vacances Tourisme Europe residences and villages,** for a net amount of €83,770,000. Property, plant and equipment mainly comprise general services, fittings and equipment needed for operating the sites.

During the financial year, the operating companies invested €7,305,000, primarily to modernise existing sites.

Depreciation for the period stood at €13,083,000.

Investment subsidies are shown as a reduction in the value of the asset for which they were received. At 30 September 2014, the Pierre & Vacances-Center Parcs Group had not recorded any significant amounts for investment subsidies.

Finance leases:

At 30 September 2014, the net amount of "Property, plant and equipment" included €118,085,000 representing the restatement of such assets under finance leases, compared with €123,747,000 at 30 September 2013. The corresponding residual financial liability stood at €108,452,000 at 30 September 2014, compared with €111,832,000 at 30 September 2013 (see Note 19 – Financial liabilities).

At 30 September 2014, the line item "Finance leases" includes the following property, plant and equipment items:

- the central facilities of the Domaine Center Parcs du Lac d'Ailette for €118,085,000; the corresponding financial liability amounts to €107,681,000;
- the overhaul of the television sets in the residences operated by Pierre & Vacances Tourisme Europe. At 30 September 2014, these assets are fully depreciated and the corresponding financial liability amounts to €771,000.

NOTE 8 Equity-accounted investments

(in € thousands)	30/09/2014	30/09/2013
SDRT-Immo	2,555	0
SNC Nature Hébergements I	7,601	0
TOTAL	**10,156**	**0**

As part of its development in Morocco, the Pierre & Vacances-Center Parcs Group created, over the course of financial year 2008/2009, a tourism company in partnership with the company Madaef (a subsidiary of Caisse de Dépôt et de Gestion du Maroc). On 18 March 2013, Pierre & Vacances Maroc sold it its entire share in this company.

On the same day, Pierre & Vacances Maroc also sold half of its interest in SDRT-Immo. Following this partial disposal, the company is now only held at 25% and is therefore consolidated using the equity method.

The value of these equity-accounted investments is €2,555,000 at 30 September 2014.

The Pierre & Vacances-Center Parcs Group also holds a 37.5% interest in SNC Nature Accommodations 1, a company with capital of €20,000,000. in which the Group invested €7,500,000.

The share of the profit of this subsidiary during the 2013/2014 financial year amounted to €101,000, bringing the value of the investment to €7,601,000 at 30 September 2014.

NOTE 9 Other non-current financial assets

(in € thousands)	30/09/2014	30/09/2013
Gross accrued interest income	2	0
Accumulated impairment losses	-	-
Net accrued interest income	**2**	**-**
Gross loans and other financial assets	22,814	21,983
Accumulated impairment losses	-285	-285
Net loans and other financial assets	**22,529**	**21,698**
TOTAL	**22,531**	**21,698**

"Loans and other financial assets", whose net carrying amount at 30 September 2014 was €22,529,000, consist primarily of guarantee deposits paid to property owners in the amount of €17,974,000 and to lessors and suppliers in the amount of €4,107,000.

NOTE 10 Available-for-sale financial assets

(in € thousands)	30/09/2014	30/09/2013
Gross amount	**1,639**	**1,639**
Impairment losses	-	-
NET AMOUNT	**1,639**	**1,639**

"Available-for-sale financial assets" primarily represent the 10% equity interest held by Multi Resorts Holding BV for €1,552,000 in Gran Dorado Zandvoort BV, Gran Dorado Port Zélande BV and Medebach Park BV. On 18 July 2006, the Group was required to buy these shares when renegotiating the leases with the new owner of the land and buildings of these three Center Parcs villages.

The other "Available-for-sale financial assets" are equity interests in various companies for less than 20%, which therefore are not consolidated into the Pierre & Vacances-Center Parcs Group.

NOTE 11 Inventories and work in progress

(in € thousands)	30/09/2014	30/09/2013
Work in progress	248,238	192,221
Finished goods	73,539	72,901
GROSS PROPERTY DEVELOPMENT PROGRAMMES	**321,777**	**265,122**
Impairment losses	-2,032	-1,952
NET PROPERTY DEVELOPMENT PROGRAMMES	**319,745**	**263,170**
Other inventories	10,419	10,180
TOTAL	**330,164**	**273,350**

The increase in the net amount of inventories and work in progress during the year (€56,814,000) is essentially due to the changes in the contribution of the property development programmes (€56,575,000).

The breakdown of the contribution of each of the property development programmes to the gross amount of the inventories is shown in Note 12.

NOTE 12 Contribution of property development programmes to the gross amount of inventories

(in € thousands)	30/09/2013 inventories	Total increases	Total reductions	30/09/2014 inventories
Center Parcs Bois de la Mothe Chandenier	47,197	112,477	-88,275	71,399
Villages Nature	16,590	40,826	-9,147	48,269
Center Parcs Roybon	29,743	5,503	0	35,246
Manilva	27,263	0	-2,791	24,472
Center Parcs Bois Harcholins	18,608	9,228	-9,115	18,721
Center Parcs Bostalsee	26,909	0	-16,948	9,961
Center Parcs Allgäu	9,456	157	0	9,613
Presqu'île de La Touques	8,452	0	0	8,452
Flaine Montsoleil Centre	7,062	7,352	-7,964	6,450
Avoriaz	6,582	326	-754	6,154
Ville d'Emerainville	2,010	3,370	0	5,380
Pont Aven	6,018	0	-866	5,152
Center Parcs Poligny (Jura)	0	4,271		4,271
Pringy	2,939	6,461	-5,130	4,270
Center Parcs le Rousset (Saône et Loire)	750	3,518	0	4,268
Ville deMarseille	3,496	6,441	-5,714	4,223
Bracieux	1,758	5,526	-3,626	3,658
Center Parcs Sud Ouest	750	3,654	-750	3,654
Ville de Manosque	585	3,056	0	3,641
Ville de Cenon	485	3,130	0	3,615
Boulou	1,085	2,136	-399	2,822
Center Parcs Chaumont	4,275	277	-1,965	2,587
Charleval	2,560	8,017	-8,072	2,505
Cavillargues	1,782	3,401	-2,770	2,413
St Cast Le Guildo	3,955		-1,591	2,364
St Laurent de la Prée	3,363	0	-1,114	2,249
Izon	2,735	6,403	-6,897	2,241
Juvignac	3,613	0	-1,631	1,982
Colmar Loisirs	1,554	4,008	-3,804	1,758
La Celle	1,594	2,385	-2,292	1,687
Ville de Castanet	0	1,470	0	1,470
PV Senioriales Commercialisation	726	1,978	-1,498	1,206
Ville de Mions	1,251	5,203	-5,302	1,152
Ville deSaint Avertin	1,422	18	-393	1,047
Vias	434	606	0	1,040
Nandy	605	298	0	903
Medis	222	598	0	820
Meribel Ravines	0	665		665
Bassan	2,440	0	-1,809	631

(in € thousands)	30/09/2013 inventories	Total increases	Total reductions	30/09/2014 inventories
Perpignan	448	87	0	535
Center Parcs Bois Francs Foncière	501	0	0	501
Boisroger	0	500		500
Soulac	766	124	-471	419
St Julien des Landes	562	89	-277	374
Nîmes	0	362	0	362
Dhuizon Loisirs	356	0	0	356
Ville de Bruges	246	105	-2	349
Biarritz Loisirs	841	0	-507	334
Rambouillet	734	122	-591	265
Paradou	209	15	0	224
Teyran	216	0	0	216
Nancy Loisirs	1,370	264	-1,428	206
Jonquières	387	53	-247	193
Pollestres	0	169	0	169
Other Property development programmes	8,188	5,703	-9,528	4,363
SUBTOTAL PROPERTY DEVELOPMENT	**265,122**	**260,352**	**-203,697**	**321,777**

The gross change in finished goods and work in progress related to property development programmes comprises:

- €260,352,000 in increases for the year arising essentially from:
  - work done during the year on the new construction programmes thus creating an increase in gross inventory of €248,597,000.

    The main programmes concerned are Center Parcs Bois de la Mothe Chandenier (€112,477,000), Les Senioriales (€52,028,000), Center Parcs Bois des Harcholins (€9,228,000), Flaine Montsoleil Centre (€7,352,000) Villages Nature (€40,826,000) Roybon (€5,503,000), Center Parcs Poligny (€4,271,000) and Center Parcs le Rousset (€3,518,000),
  - acquisitions of land for new construction programmes totalling €11,755,000. This amount primarily concerns the land acquired for the property development programmes Les Senioriales d'Emerainville (€3,892,000), Les Senioriales de Manosques (€2,500,000), Les Senioriales de Cenon (€2,300,000), Colmar Loisirs (Colmar 1,761,000) and Les Senioriales de Boulou (€1,122,000);
- reductions, particularly due to the recognition of deferred income from new construction or renovation programmes totalling €203,697,000. These reductions are specifically recognised for the following programmes: Center Parcs Bois de la Mothe Chandenier (-€88,275,000), Les Senioriales (-€50,198,000), Center Parcs Bois des Harcholins (-€9,115,000), Center Parcs Bostalsee (-€16,948,000), Flaine Montsoleil Centre (-€7,964,000), Center Parcs Chaumont (-€1,965,000) and Villages Nature (-€9,147,000).

Besides these changes, the gross amount of property programme inventories also includes:

- the Manilva programme, representing 185 apartments in Spain. Sales during the year were made at prices higher than the average inventory price. The sale of these apartments is expected to take place over several financial years;
- The Center Parcs Roybon programme had an appeal lodged against it by an association opposing the project in September 2010. In June 2011, the municipal order authorising the building permit was cancelled by the Administrative Court of Grenoble on the grounds of a procedural error concerning the opinion of a body that should have been consulted. This ruling was overturned by the Administrative Court of Appeal of Lyon on 24 April 2012, which rejected all pleas against the local development plan of the city and the building permit. The association of opponents to the project appealed to the French Council of State, which deemed the appeal non-allowable in January 2013 and the building permit became definitive at that date. The administrative authorisation requests under the "Water Act" and "protected species exemptions" were examined thereafter. The prefectural orders approving these permits were obtained in October 2014 under both the Water Act and protected species. The Group therefore started the construction of the property.

NOTE 13 Trade receivables

(in € thousands)	30/09/2014	30/09/2013
Property development	274,066	244,014
Tourism business	121,867	125,693
Services	1,675	2,313
GROSS TRADE RECEIVABLES	**397,608**	**372,020**
Property development	-723	-1,006
Tourism business	-9,694	-11,212
Services	-299	-190
ACCUMULATED IMPAIRMENT LOSSES	**-10,716**	**-12,408**
TOTAL	**386,892**	**359,612**

At 30 September 2014, the net value of trade receivables had increased by €27,280,000.

This variation is due entirely to the property development business (€30,335,000). It is primarily the result of a pending call for funds to be made for the sale of the Villages Nature property development programme (€84,480,000) and the receipts related to a call for funds for the Bois de la Mothe Chandenier property development programme (€54,336,000).

In contrast, the Tourism business had a €2,308,000 drop in its net receivables.

The trade receivables aging schedule is presented in Note 26.

NOTE 14 Other current assets

14.1 - Other current assets

(in € thousands)	30/09/2014	30/09/2013
Advances and prepayments to suppliers	12,673	17,736
Pre-paid taxes and duties	123,958	115,811
Other receivables	69,323	53,065
GROSS AMOUNT	**205,954**	**186,612**
Accumulated impairment losses	-172	-172
NET OTHER RECEIVABLES	**205,782**	**186,440**
Pre-paid rent expense	18,302	20,011
Other pre-paid expenses	15,454	19,127
PREPAID EXPENSES	**33,756**	**39,138**
TOTAL OTHER CURRENT ASSETS	**239,538**	**225,578**

The Group has instigated proceedings challenging the decision in order to receive a refund from the Tax Authorities of the payments made in respect of VAT and CET. Based on detailed examination of the reasons for each of the refund requests, the Pierre & Vacances-Center Parcs Group, working closely with its tax advisers, does not anticipate any financial risk concerning the amount due for receivables recognised in this regard.

14.2 – Current financial assets

(in € thousands)	30/09/2014	30/09/2013
External current accounts	14,931	16,466
Loans under the "Ownership & Holidays" programme	8,347	8,859
TOTAL	**23,278**	**25,325**

"Current financial assets" mainly include the debit current accounts of joint ventures as well as several "Pierre & Vacances Properties" loans, €512,000 of which was reimbursed during financial year 2013/2104.

NOTE 15 Cash and cash equivalents

(in € thousands)	30/09/2014	30/09/2013
Cash	33,125	50,982
Cash equivalents (money market funds and deposits)	14,546	3,314
TOTAL	**47,671**	**54,296**

Analysis of cash equivalents by type:

(in € thousands)	30/09/2014 Fair value	30/09/2013 Fair value
Money market funds	14,546	3,314
Certificates of deposit	-	0
TOTAL	**14,546**	**3,314**

The Group invests, through first class banking institutions, in money market funds that comply with the AMF criteria listed in Note 1.19 – Cash and cash equivalents.

NOTE 16 Notes to the consolidated statement of cash flows

16.1 – Net cash flows relating to the acquisition and disposal of subsidiaries and business goodwill

Analysis of the net amount of cash relating to acquisitions and disposals of subsidiaries and business goodwill (the amount of investments or disposals net of available cash in the subsidiary on the date of the transactions) during the last two financial years, as presented on the consolidated statement of cash flows:

(in € thousands)	2013/2014	2012/2013
Acquisitions		
Goodwill – Adagio	0	-600
Acquisition of EFB *("Entwicklungsgesellschaft Ferienhaus Bostalsee")*		3,300
SUBTOTAL ACQUISITIONS	**0**	**2,700**
Disposals		
SUBTOTAL DISPOSALS	**0**	**2,382**
TOTAL	**0**	**5,082**

- During 2013/2014, the Pierre & Vacances Group did not acquire any business goodwill, nor did it acquire or sell any company.
- During 2012/2013, the goodwill of three Adagio businesses was acquired (Vanves, Paris and Nice) for a total of €600,000.

- The EFB transaction, detailed in Note 2.2 "Main changes in the scope of consolidation" corresponds to a net cash inflow of €3,300,000 in 2012/2013.
- The disposal of the Moroccan subsidiary "SDRT" corresponds to a net cash inflow of €2,382,000. The transaction is described in Note 2.2 – "Main changes in the scope of consolidation";

16.2 - Net cash and cash equivalents

Breakdown of the cash and cash equivalents balance shown in the consolidated statement of cash flows:

(in € thousands)	30/09/2014	30/09/2013
Cash and cash equivalents	47,671	54,296
Bank credit balances	-39,036	-32,784
NET CASH AND CASH EQUIVALENTS	**8,635**	**21,512**

This net cash position includes €8,554,000 from the jointly controlled entities, including Villages Nature entities in the amount of €7,173,000.

NOTE 17 Group shareholders' equity

Issued capital and share premium

During 2013/2014, Pierre et Vacances SA did not carry out any capital increase by issuing new shares.

Share capital at 30 September 2014 was €88,215,510, divided into 8,821,551 fully paid-up ordinary shares with a par value of €10 each. During the year ended 30 September 2014, the weighted average number of ordinary shares outstanding stood at 8,446,523.

Potential capital

Analysis of the potential capital and its movements during 2013/2014 and 2012/2013:

	2013/2014	2012/2013
Number of shares at 1 October	**8,821,551**	**8,821,551**
Number of shares issued during the year *(prorata temporis)*		
Pierre & Vacances share options exercised	-	-
Pierre & Vacances shares held by Pierre et Vacances SA	-375,028	-371,902
and deducted from consolidated equity		
Weighted average number of shares	**8,446,523**	**8,449,649**
Dilutive effect		
Pierre & Vacances share options granted	-	-
Pierre & Vacances bonus shares granted	263,224	78,866
Weighted average number of diluted shares	**8,709,747**	**8,528,515**

Treasury shares

During financial year 2013/2014, the Pierre & Vacances-Center Parcs Group repurchased its treasury shares for €135,000.

At 30 September 2014, the Group held 376,594 treasury shares for a total value of €11,644,000.

Dividends paid

The Shareholders' Combined Ordinary and Extraordinary Meeting of 13 March 2014 decided not to distribute any dividend.

NOTE 18 Impairment losses

(in € thousands)	30/09/2013 restated(*)	Additions	Reversals used	Reversals not used	Other changes	30/09/2014
Provisions for renovations	5,048	740	-620	-397	0	4,771
Provisions for retirement and other post-employment benefits	23,044	2,356	-923	0	-2,410	22,067
Provisions for legal proceedings	2,222	1,263	-700	-301	-239	2,245
Other provisions	4,224	1,132	-3,780	-249	239	1,566
TOTAL	**34,538**	**5,491**	**-6,023**	**-947**	**-2,410**	**30,649**
Non-current portion	*25,422*					*23,980*
Current portion	*9,116*					*6,669*

(*) Restated for the impact of the first-time application of revised IAS 19 "Employee benefits", as described in Note 1.3.

The provisions for renovations represent the Group's contractual commitments and maintenance policy for its leased property (see Note 1.22 – Provisions).

The €3,889,000 reduction in provisions is mainly due to reversals in other provisions amounting to €2,658,000 net and to a €977,000 net reduction in provisions for end of service awards.

(in € thousands)	30/09/2014	30/09/2013 restated (*)
Provisions for renovations	4,435	4,701
Provisions for retirement and other post-employment benefits	19,132	20,494
Provisions for legal proceedings	110	110
Other provisions	303	117
NON-CURRENT PROVISIONS	**23,980**	**25,422**
Provisions for renovations	336	347
Provisions for retirement and other post-employment benefits	2,935	2,550
Provisions for legal proceedings	2,135	2,112
Provisions for restructuring costs	906	3,987
Other provisions	357	120
CURRENT PROVISIONS	**6,669**	**9,116**
TOTAL	**30,649**	**34,538**

(*) Restated for the impact of the first-time application of revised IAS 19 "Employee benefits", as described in Note 1.3.

Provisions for legal proceedings

At 30 September 2014, provisions for legal proceedings amounted to €2,245,000 in total, including €2,135,000 of current provisions and €110,000 of non current provisions.

Each dispute is monitored and analysed by the Group's Legal Department which, occasionally with the help of external experts, assesses the potential cost on a case-by-case basis. A provision for the estimated cost of the risk is recognised in the financial statements of the various entities involved.

Breakdown of provisions for legal proceedings and their changes during the year:

(in € thousands)	Tourism	Property development	Individual employee disputes	Total
Balance at 30 September 2013	**396**	**341**	**1,485**	**2,222**
New legal proceedings	122	0	1,141	1,263
Reversals related to expenses for the financial year		-150	-550	-700
Reversals not used			-301	-301
Reclassifications	-239			-239
BALANCE AT 30 SEPTEMBER 2014	**279**	**191**	**1,775**	**2,245**

At 30 September 2014, no governmental, legal or arbitration procedure (including any proceedings known to the Group either pending or threatened) of any significant character, either individually or globally, affected the financial position or profitability of the Group.

Provisions for restructuring costs

Provisions for restructuring costs are broken down as follows:

(in € thousands)	2013/2014	2012/2013
Balance of provisions at 1 October	**3,987**	**2,264**
New restructuring costs	642	3,981
Reversals related to expenses for the financial year	-3,714	-2,225
Reversals not used	-248	-104
Reclassifications	239	71
BALANCE OF PROVISIONS AT 30 SEPTEMBER	**906**	**3,987**

Changes in provisions for restructuring costs are related to the reorganisation of the Group and primarily include termination benefits.

Provisions for retirement and other post employment benefits

Provisions for retirement and other post-employment benefits, which are assessed by independent actuaries, are determined according to the Group's accounting principles and methods (see Note 1.23 – Provisions for retirement and other post-employment benefits). The obligations reported relate primarily to France and the Netherlands. The main actuarial assumptions used by country:

	30/09/2014		30/09/2013	
	France	The Netherlands	France	The Netherlands
Discount rate	2.00%	2.00%	3.00%	3.00%
Salary increase rate	2.00%	2.25%	2.00%	3.00%
Inflation rate	2.00%	2.00%	2.00%	2.00%

The assumptions for expected long-term return on assets and discount rates used for estimating the Group's obligations have been defined on the basis of recommendations from independent experts. The discount rate is determined by reference to a market rate based on category one European company obligations (Iboxx Corporate AA 10 +).

Analysis of the amounts recognised on the statement of financial position at 30 September:

	30/09/2014			30/09/2013(*)		
(in € thousands)	Retirement plans	Other benefits	Total	Retirement plans	Other benefits	Total
Discounted benefit obligation	103,559	6,066	109,625	88,284	5,639	93,923
Fair value of plan assets	87,558		87,558	70,879		70,879
NET LIABILITY RECOGNISED ON STATEMENT OF FINANCIAL POSITION	**16,001**	**6,066**	**22,067**	**17,405**	**5,639**	**23,044**

(*) Restated for the impact of the first-time application of revised IAS 19, as described in Note 1.3.

Change in provisions for retirement and other post-employment benefits:

	2013/2014			2012/2013(*)		
(in € thousands)	Retirement plans	Other benefits	Total	Retirement plans	Other benefits	Total
Actuarial liability at 1 October	**17,405**	**5,639**	**23,044**	**14,540**	**5,621**	**20,161**
Current service cost	1,842	523	2,365	1,523	482	2,005
Interest cost	2,583	142	2,725	2,485	148	2,633
Return on plan assets	-2,153	0	-2,153	-2,113	0	-2,113
Contributions received and benefits paid	-555	-362	-917	-1,199	-567	-1,766
Recognised actuarial differences	-2,261	559	-1,702	2,912	387	3,299
Services cancelled	0	0	0	-743	-432	-1,175
Past service cost	-722	-398	-1,120	0	0	0
Change in scope of consolidation	-138	-37	-175	0	0	0
ACTUARIAL LIABILITY AT 30 SEPTEMBER	**16,001**	**6,066**	**22,067**	**17,405**	**5,639**	**23,044**

(*) Restated for the impact of the first-time application of revised IAS 19, as described in Note 1.3.

Breakdown of the change in the fair value of the assets held to cover the commitments:

(in € thousands)	2013/2014	2012/2013
Fair value of investments at 1 October	**70,879**	**69,433**
Effective return on plan assets	2,136	1,275
Employer contributions received	496	1,095
Contributions received from plan members	784	759
Benefits paid and expenses for the year	-1,619	-1,683
Actuarial differences	14,882	
FAIR VALUE OF INVESTMENTS AT 30 SEPTEMBER	**87,558**	**70,879**

Sensitivity analysis of the fair value of plan assets

The sensitivity of the fair value of the plan assets for the year is as follows: a 0.25 point increase in the asset discount rate would reduce the fair value of the plan assets by €3,586,000. Conversely, a 0.25 point decrease in the asset discount rate would increase the fair value of the plan assets for the year by €3,843,000.

Analysis of the fair value of the assets held to cover the commitments, by asset category:

(in € thousands)	30/09/2014	30/09/2013
Cash	24	-
Shares	2,609	1,930
Fixed-income investments	9,742	6,659
Insurance	75,183	62,290
FAIR VALUE	**87,558**	**70,879**

Sensitivity analysis of the discounted value of obligations

The sensitivity analysis of the discounted value of the obligations is as follows: A 0.25 point increase in the discount rate would decrease the discounted obligation by €5,536,000. Conversely, a 0.25 point decrease in the discount rate would increase the discounted obligation by €5,777,000.

NOTE 19 Financial liabilities

Breakdown by type and operating segment

(in € thousands)	30/09/2014	30/09/2013
Long-term borrowings		
Amounts due to credit institutions	34,891	20,171
Tourism business	*29,641*	*20,171*
Property development	*5,250*	*0*
Outstanding bond issue	111,273	112,386
Tourism business	*111,273*	*112,386*
Bridging loans	6,179	7,332
Property development	*6,179*	*7,332*
Finance leases	107,105	110,811
Tourism business	*107,105*	*110,811*
Other financial liabilities	1,670	570
Tourism business	*1,616*	*516*
Property development	*54*	*54*
SUBTOTAL LONG-TERM BORROWINGS	**261,118**	**251,270**
of which Tourism	**249,635**	**243,884**
of which Property development	**11,483**	**7,386**
Short-term borrowings		
Amounts due to credit institutions	10,532	26,010
Tourism business	*10,532*	*24,505*
Property development	*0*	*1,505*
Bridging loans	5,999	21,750
Property development	*5,999*	*21,750*
Finance leases	4,332	5,238
Tourism business	*4,332*	*5,238*
Other financial liabilities	37	56
Property development	*37*	*56*
Bank credit balances	39,036	32,784
Tourism business	*39,025*	*30,981*
Property development	*11*	*1,803*
SUBTOTAL SHORT-TERM BORROWINGS	**59,936**	**85,838**
of which Tourism	**53,889**	**60,724**
of which Property development	**6,047**	**25,114**
TOTAL	**321,054**	**337,108**
of which Tourism	**303,524**	**304,608**
of which Property development	**17,530**	**32,500**

Bank borrowings and bridging loans at 30 September 2014 primarily included:

Tourism

- The ORNANE-type bond issued on 4 February 2014 with a principal amount of €115,000,000 and maturing on 1 October 2019. Bonds redeemable in cash and new or existing shares (ORNANE) are convertible at any time by delivery of a new or existing share. They also give the issuer the option to make a partial payment (up to the principal of the bond) in cash when delivering the share. At 30 September 2014, the liability component amounted to €107,361,000.
- The embedded derivative component of the ORNANE bond, to be recognized under mark-to-market liabilities. Changes in the fair value of this derivative are recognised in financial income (expenses) under a separate item called "Change in the fair value of the ORNANE derivative". At 30 September 2014, the fair value of this derivative was €1,173,000.
- The principal amount outstanding (€40,500,000) on the Corporate loan following the renewal of the syndicated credit due in June 2015. As part of the refinancing of the Corporate loan in February 2014, the loan maturity was extended by four years, with the final payment scheduled for 19 February 2019.
- The residual balance of the OCÉANE-type bond issued on 2 February 2011 with an original principal amount of €115,000,000, maturing on 1 October 2015 and convertible at any time by the exchange of one new or existing share for each OCÉANE bond.

  On 13 February 2014, the Group redeemed 1,454,344 OCÉANE bonds, or 96.5% of all OCÉANE bonds outstanding at the time. At 30 September 2014, the liability component of the OCÉANE bonds outstanding totalled €3,912,000, or 3.5% of the bonds originally issued.

Property development

- Bridging loans totalling €12,178,000 put in place for property development programmes, the main of which are:
  - €2,887,000 for the construction of Les Senioriales – Emerainville;
  - €2,438,000 to finance the construction of Les Senioriales – Cavillargues;
  - €1,820,000 to finance the property development programme of Les Senioriales – Charleval;
  - €1,798,000 to finance the construction of Les Senioriales – Boulou.
- A revolving credit facility, drawn down for €3,745,000, to finance the property development programme in Deauville.

As part of the Corporate loan refinancing (February 2014), the Pierre & Vacances-Center Parcs Group also has a confirmed credit line of €136 million.

There was no drawdown against this credit line at 30 September 2014.

During 2013/2014, the Pierre & Vacances-Center Parcs Group received €164,626,000 in new loans (including €111,108,000 for the ORNANE-type bond and €41,236,000 for the syndicated loan), net of issuance costs.

During the same period, the Group also repaid loans representing cash outflows of €190,973,000, primarily:

- €116,347,000 as part of the redemption of 96.5% of the OCÉANE bonds;
- €40,000,000 related to the repayment of the syndicated loan (€30,000,000 of which was paid early, as it was due in June 2015);
- €4,500,000 corresponding to the payment of the first instalment of the new syndicated loan.

In addition, the Pierre & Vacances-Center Parcs Group has four other confirmed credit lines, which are broken down as follows:

- €4 million due in February 2015;
- €5 million due in September 2015;
- €15 million due in May 2015;
- €10 million.

There was no drawdown against any of these credit lines at 30 September 2014.

Analysis of the financial liabilities related to finance leases:

(in € thousands)	30/09/2014	30/09/2013
Le Domaine du Lac de l'Ailette	107,681(*)	109,561
PV Résidences & Resorts France	771(**)	2,271
PV SA	2,985(***)	4,217
TOTAL	**111,437**	**116,049**

(*) The underlying net asset (€118,085,000 at 30 September 2014) is recorded in Property, plant and equipment (see Note 7).
(**) The underlying net asset recorded in Property, plant and equipment was fully depreciated at 30 September 2014 (see Note 7).
(***) The underlying net asset (€2,905,000 at 30 September 2014) is recorded in Intangible assets (see Note 5).

Breakdown by maturity

Breakdown of the change in maturity of gross borrowings and other financial liabilities:

	Balance *(in € thousands)* at	
Maturities	30/09/2014	30/09/2013
Year N + 1	59,936	85,837
Year N + 2	19,468	143,941
Year N + 3	14,423	2,919
Year N + 4	11,266	2,605
Year N + 5	10,740	2,485
Year > N + 5	205,221(*)	99,321
TOTAL	**321,054**	**337,108**

(*) including €96,190,000 for finance leases.

Liquidity risk is analysed in Note 22.

Breakdown of main financial liabilities by interest rate type

Fixed rate

The main fixed-rate borrowings recorded as liabilities in the statement of financial position at 30 September 2014 relate to restatements of finance leases and the bond issue. The nominal amount of the fixed-rate borrowings was €221,939,000. The majority of these borrowings carry interest at percentages between 3.50% and 6.02%.

Issue date	Maturity date	Principal amount outstanding at 30/09/2014 *(in € millions)*	Interest rate
Finance leases			
21/09/2005	31/12/2038	107.7	6.02%(*)
01/10/2009	30/07/2019	3.0	6.00%
Outstanding bond issue			
02/02/2011	01/10/2015	3.9	4.00%
04/02/2014	01/10/2019	107.4	3.50%
TOTAL		**221.9**	

(*) The finance lease for Center Parcs Europe Domaine du Lac d'Ailette was at a variable rate until 10 January 2008 (Eonia + margin). At that time, the rate became fixed (6.02%) and will remain unchanged until maturity. At 30 September 2014, the repayment amount including interest was €208.7 million.

Variable rate

The principal amount of variable rate bank borrowings, bridging loans and finance leases is €55,607,000 with a rate, depending on the loans, varying between Eonia and 12-month Euribor + margin.

To manage the risk associated with interest rate fluctuations on variable rate borrowings, the Pierre & Vacances-Center Parcs Group has set up interest rate swap contracts (the features of which are described in Note 21 – Hedging financial instruments).

Analysis of variable rate bank borrowings, bridging loans and finance leases together with their related hedging instruments:

Borrowings, bridging loans and leases				Hedging			
Issue date	Maturity date	Principal amount outstanding at 30/09/2014 *(in € millions)*	Interest rate	Instrument type	Notional amount at 30/09/2014 *(in € millions)*	Maturity date	Interest rate details
Amounts due to credit institutions							
13/02/2014	19/02/2019	37.4	6-month Euribor + margin	*Swap*	16.2	19/09/2018	Int. rate rcv'd: 6-month Euribor Int. rate paid: fixed: 0.6950%
				Swap	16.2	19/09/2018	Int. rate rcv'd: 6-month Euribor Int. rate paid: fixed: 0.6790%
22/09/2014	22/09/2019	3.7	3-month Euribor + margin	*Cap*	3.7	22/09/2019	Int. rate capped: 1.2500%
10/06/2011	30/03/2016	1.5	3-month Euribor + margin	None			
SUBTOTAL		**42.7**			**36.1**		
Bridging loans							
25/07/2012	31/12/2014	0.9	3-month Euribor + margin	None			
23/04/2013	31/05/2015	1.8	3-month Euribor + margin	None			
23/07/2013	30/09/2015	2.4	3-month Euribor + margin	None			
31/01/2013	31/01/2015	0.2	3-month Euribor + margin	None			
25/02/2013	25/02/2015	0.6	3-month Euribor + margin	None			
03/04/2014	03/04/2016	1.8	3-month Euribor + margin	None			
09/05/2014	09/05/2016	0.7	1-month Euribor + margin	None			
15/04/2014	15/04/2016	0.3	3-month Euribor + margin	None			
18/06/2014	18/12/2016	2.9	3-month Euribor + margin	None			
26/08/2014	26/08/2017	0.4	3-month Euribor + margin	None			
SUBTOTAL		**12.2**			**0.0**		
Finance leases							
01/07/2007	30/06/2016	0.8	12-month Euribor + margin				
SUBTOTAL		**0.8**			**0.0**		
TOTAL		**55.6**			**36.1**		

Collateral

(in € thousands)	30/09/2014	30/09/2013
Guarantees and pledges	174,703	184,680
Mortgages	12,700	0
TOTAL	**187,403**	**184,680**

Collateral pledged by the Group to secure repayment of its bank borrowings include:

- a first call guarantee of €174,118,000 that can be amortised, granted to the institution that provided finance lease for the facilities at Domaine du Lac d'Ailette;
- a collateral granted for the bridging loan for the property development programme Les Senioriales – Izons for €583,000;
- high quality mortgages pledged for bridging loans for the following main property development programmes:
  - Les Senioriales – Manosque for €4,000,000,
  - Les Senioriales – Boulou for €3,600,000,
  - Les Senioriales – Cenon for €3,200,000,
  - Les Senioriales – Charleval for €1,250,000.

Breakdown of the change in maturity of collateral:

	Balance *(in € thousands)* at	
Maturities	30/09/2014	30/09/2013
Year N + 1	5,697	5,088
Year N + 2	14,221	7,176
Year N + 3	3,624	4,931
Year N + 4	3,848	3,624
Year N + 5	4,086	3,848
Year > N + 5	155,927	160,013
TOTAL	**187,403**	**184,680**

NOTE 20 Financial instruments

The table below shows the carrying amount and the fair value of the financial instruments recognised on the statement of financial position:

		30/09/2014	30/09/2013
(in € thousands)	IAS 39 category	Carrying amount(*)	Carrying amount(*)
ASSETS			
Non-current financial assets		24,171	23,337
Available-for-sale financial assets	Available-for-sale financial assets at fair value through other comprehensive income	1,639	1,639
Accrued interest	Loans and receivables at amortised cost	2	0
Loans and other financial assets	Loans and receivables at amortised cost	22,529	21,698
Trade receivables	Loans and receivables at amortised cost	386,892	359,612
Other current assets(**)	Loans and receivables at amortised cost	69,151	52,893
Current financial assets	Loans and receivables at amortised cost	23,278	25,325
Cash and cash equivalents	Financial assets at fair value through profit or loss(***)	47,671	54,296
Derivative financial instruments – assets	See Note 21 – Hedging financial instruments	-	-
LIABILITIES			
Financial liabilities (including short-term portion)		282,018	304,323
Amounts due to credit institutions	Financial liabilities at amortised cost	45,423	46,181
Outstanding bond issue	Financial liabilities at amortised cost	111,273	112,386
Cash redemption option for the ORNANE bond	Financial liabilities at fair value through profit or loss	1,173	-
Finance leases	Financial liabilities at amortised cost	111,437	116,049
Other financial liabilities	Financial liabilities at amortised cost	12,712	29,708
Other non-current liabilities	Financial liabilities at amortised cost	2,992	3,417
Trade payables	Financial liabilities at amortised cost	384,060	288,240
Other financial liabilities(**)	Financial liabilities at amortised cost	120,013	133,443
Bank credit balances	Financial liabilities at amortised cost	39,036	32,784
Other current financial liabilities	Financial liabilities at amortised cost	29,358	31,000
Derivative financial instruments – liabilities	See Note 21 – Hedging financial instruments	340	328

(*) The fair values of financial assets and financial liabilities do not differ significantly from the carrying amounts.
(**) Other current assets and other current liabilities are restated from items not considered to be financial instruments within the meaning of IAS 39, that is to say advances and prepayments to suppliers, advances and deposits on orders in progress, receivables from and payables to the state, prepayments and deferred income.
(***) These assets are measured on the basis of their value on the regulated market.

NOTE 21 Hedging instruments

The derivative financial instruments contracted by the Pierre & Vacances-Center Parcs Group at 30 September 2014 are intended exclusively for the management of interest rate risk. They are deemed to be derivatives designated as cash flow hedging instruments.

Interest rate risk is generally managed relative to the Group's net financial liabilities in order to protect it against a possible rise in interest rates. To this end, the Group entered into swap agreements and a cap agreement with leading banks.

At 30 September 2014, the notional amounts and market values of the swap contracts intended to hedge the variable rate borrowings were as follows:

Rate received	Rate paid	Notional amount at 30/09/2014 *(in € millions)*	Market value of hedging instruments *(in € millions)*	Start date	Maturity date
6-month Euribor	0.6950%	16,200	-173	19/09/2014	19/09/2018
6-month Euribor	0.6790%	16,200	-167	19/09/2014	19/09/2018

The market value of the swaps was -€340,000 at 30 September 2014, compared with -€328,000 at 30 September 2013 for the swaps outstanding at that date.

At 30 September 2014, the notional amounts and market values of the cap contract intended to hedge the variable rate borrowings were as follows:

Rate received	Rate paid	Notional amount at 30/09/2014 *(in € thousands)*	Market value of hedging instruments *(in € thousands)*	Start date
3-month Euribor	1.2500%	7,500	0	30/09/2014

The market value of this hedging instrument was zero at 30 September 2014.

NOTE 22 Market risks

Cash flow management

Cash flow is managed centrally by the specialist staff of the Pierre & Vacances-Center Parcs Group's Finance Department. The surplus cash of subsidiaries is paid into the Group's centralising entity (Pierre & Vacances FI) which redistributes them to the entities that need them and invests the balance in "Euro Money Market" instruments to maximise liquidity and comply with the counterparty risk management policy. This centralisation means that financial resources are optimised and the main Group entities' cash flow trends are closely monitored.

Counter-party risk

These operations are carried out with banks authorised by Executive Management in line with the counter-party risk management policy. Because of the diversity of counter-parties, selected from leading banks according to their rating and the knowledge the Group has of them, Pierre & Vacances-Center Parcs considers that it is not exposed to a concentration of credit risk. Since Pierre & Vacances-Center Parcs Group Executive Management would like to be able to access, at any moment, any available cash equivalents consisting of unit trusts and mutual investment funds, these investments are short-term (less than three months) and liquid.

Credit risk

Because of the Group's marketing rules concerning the sale of property (selling off-plan), this activity does not pose any significant risks relating to these trade receivables.

In the tourism business, risk of non-payment by customers is low, with over 81% of revenue achieved by direct sale, whereby the payment for services occurs before these services are provided.

Group policy for indirect sales is to work with major market players, diversify its portfolio of tour operators and travel agencies, use agreements drawn up by the Legal Department assisted by its counsels, and check the solvency of the counter-parties.

Capital management

The Group capital management objective is to ensure operational continuity, the profitability of shareholders' capital, and the reliability of partner relationships and to maintain an optimal capital structure in order to limit the cost of committed funds.

To maintain or adjust the committed funds structure, the Group can issue new debt or repay existing debt, adjust the amount of dividends paid to shareholders, make a capital repayment to shareholders, issue new shares, repurchase existing shares or dispose of assets in order to reduce its debt.

The Group communicates on its debt ratio (net debt/equity), a capital control indicator.

Given the fact that the Pierre & Vacances-Center Parcs Group does not aim to own the residences and villages it develops and operates, its exposure to capital risk is therefore limited.

Liquidity risk

At 30 September 2014, the Pierre & Vacances-Center Parcs Group's net cash and cash equivalents balance stood at €8,635,000. This balance equals the gross amount of cash and cash equivalents (€47,671,000) less bank overdrafts (€39,036,000).

Furthermore, as indicated in Note 19, the Group has four confirmed credit lines, as well as one confirmed credit line linked to the Corporate loan. There was no drawdown against any of these credit lines at 30 September 2014.

The Group has therefore no liquidity risk.

Analysis of assets and liabilities associated with financing activities at 30 September 2014:

		Maturities		
(in € thousands)	30/09/2014	< 1 year	1 to 5 years	> 5 years
Amounts due to credit institutions	45,423	10,532	34,891	-
Outstanding bond issue	111,273	-	3,912	107,361
Finance leases	111,437	4,332	10,915	96,190
Other financial liabilities	13,885	6,036	6,179	1,670
Financial liabilities (including short-term portion)	**282,018**	**20,900**	**55,897**	**205,221**
Related interest expense	112,028	11,005	31,635	69,388
Borrowing costs	**394,046**	**31,905**	**87,532**	**274,609**
Bank credit balances	39,036	39,036	-	-
Derivative financial instruments – liabilities	340	340	-	-
Financial liabilities	**433,422**	**71,281**	**87,532**	**274,609**
Cash equivalents	14,546	14,546	-	-
Cash	33,125	33,125	-	-
Gross cash and cash equivalents	**47,671**	**47,671**	**0**	**0**

None of the Pierre & Vacances-Center Parcs Group's bank borrowings are based on its debt rating. Contracts governing the Corporate loan and the credit lines contain standard clauses referring to the consolidated financial position of the Group.

The definition and levels of the ratios, also called financial covenants, are fixed in advance in agreement with the lenders. Compliance with the ratios is assessed only once a year at the reporting date. Failure to comply with these ratios authorises the lenders to call in some or all of the debt early.

These loans are all accompanied by the usual legal clauses: "negative pledge", "*pari passu*" and "cross default".

In the context of the refinancing of the Corporate loan in February 2014, a single ratio is now monitored:

- net adjusted financial liabilities/EBITDAR (net adjusted financial liabilities = Group net borrowings plus rent commitments over the next five years, discounted at 6.0%); EBITDAR = Group consolidated operating profit (loss) from ordinary activities plus net additions to depreciation/amortisation, provisions and impairment losses, and share-based payment expenses, before rent expense for the financial year (excluding registered offices). This ratio has to remain less than or equal to 3.75 with respect to financial year 2013/2014, in accordance with the new loan agreement signed during 2013/2014.

This covenant is calculated contractually only once a year, at 30 September. The Pierre & Vacances-Center Parcs Group complied with this ratio at 30 September 2014.

Interest Rate Risk

The management of market risk relating to interest rate fluctuations is handled centrally by the Group's Finance Department.

The Group's policy is to reduce its exposure to interest rate fluctuations. To this end, the Group uses derivative hedging instruments such as interest rate swaps or interest rate caps. The Pierre & Vacances-Center Parcs Group's net financial income (expenses) thus has little sensitivity to interest rate changes. Bridging loans backing property transactions are generally not hedged against expected interest rate changes due to their usually limited duration.

Breakdown of financial assets and liabilities at 30 September 2014:

(in € thousands)	30/09/2014	Maturities < 1 year	1 to 5 years	> 5 years
Fixed-rate borrowings	221,939	3,648	14,740	203,551
Variable-rate borrowings	55,607	14,450	41,157	
Accrued interest expense	2,765	2,765	-	-
FINANCIAL LIABILITIES	**280,311**	**20,863**	**55,897**	**203,551**
Fixed-rate loans	8,910	680	2,305	5,925
Variable-rate loans	0	-	-	-
Variable-rate cash equivalents	14,546	14,546	-	-
FINANCIAL ASSETS	**23,456**	**15,226**	**2,305**	**5,925**
NET POSITION	**256,855**	**5,637**	**53,592**	**197,626**

The variable rate net position after management at 30 September 2014 was as follows:

(in € thousands)	30/09/2014
Borrowings	55,607
Loans	0
Cash equivalents	14,546
Net position before management	**41,061**
Hedging	36,145
NET POSITION AFTER MANAGEMENT	**4,916**

A 1% increase or decrease in short-term rates would have an effect of -€0.05 million and +€0.05 million, respectively, on net financial expenses for 2013/2014, compared with -€19.0 million of net financial expenses for 2013/2014.

Foreign exchange risk

The majority of the Group's assets and liabilities are denominated in euros. Only some subsidiaries have cash flows denominated in other currencies. As these subsidiaries are only small, the Group is not exposed to changes in foreign currency rates.

NOTE 23 Trade payables

(in € thousands)	30/09/2014	30/09/2013
Tourism business	261,665	235,791
Property development	112,953	43,478
Services	9,442	8,971
TOTAL	**384,060**	**288,240**

"Trade payables" rose by €95,820,000.

This increase is mainly due to the Group's property development business, specifically the programmes Center Parcs Bois de la Mothe Chandenier (+€53,421,000) and Presqu'île de la Touques (+€18,480,000).

The trade payables aging schedule is presented in Note 26.

NOTE 24 Other current and non-current liabilities

24.1 – Other current and non-current liabilities

(in € thousands)	30/09/2014	30/09/2013
Advances and deposits on orders in progress	79,462	84,889
VAT and other tax liabilities	121,429	104,799
Employee and social security liabilities	66,258	69,581
Lease liabilities	3,001	3,427
Other liabilities	53,746	63,852
OTHER OPERATING LIABILITIES	**323,896**	**326,548**
Property sales and support funds	236,818	210,218
Other deferred income	15,237	12,174
DEFERRED INCOME	**252,055**	**222,392**
TOTAL OTHER LIABILITIES	**575,951**	**548,940**
Other financial liabilities	572,959	545,523
Other non-current liabilities	2,992	3,417

The €27,011,000 increase in “Other current and non-current liabilities” is mainly due to the property development business.

Thus, the net increase in ”Deferred income” (€29,663,000) is the result of the following offsetting changes:

- an €103,896,000 increase in deferred income, following the launch of the property development programmes Villages Nature (€89,006,000) and Presqu’île de la Touques (€14,890,000);
- a €73,064,000 decrease in deferred income related to the programmes Center Parcs Bois de la Mothe Chandenier (-€50,664,000) Les Senioriales (-€12,711,000) and Center Parcs Bois des Harcholins (-€9,689,000).

24.2 – Current financial liabilities

(in € thousands)	30/09/2014	30/09/2013
External current accounts	29,358	31,000
Hedging financial instruments	340	328
	29,698	**31,328**

Current financial liabilities mainly relate to current accounts with third parties linked to the Group or partners. The €1,630,000 fall stems from the decline in the current account of our co-shareholder at EFB as part of the property development programme Center Parcs Bostalsee (for -€4,907,000), partially offset by the setup of a current account of €2,512,000 with our co-shareholder as part of the property development programme Presqu’île de la Touques.

NOTE 25 Change in working capital requirements

Change in working capital requirement for 2013/2014:

		30/09/2013	Change linked to activity	Other changes	30/09/2014
Net inventory value		273,350	55,484	1,330	330,164
Trade receivables		359,612	27,257	23	386,892
Other current assets		250,903	11,800	113	262,816
TOTAL WORKING CAPITAL REQUIREMENTS – ASSETS	**A**	**883,865**	**94,541**	**1,466**	**979,872**
Trade payables		288,240	95,946	-126	384,060
Other current and non-current liabilities		580,268	25,349	32	605,649
TOTAL WORKING CAPITAL REQUIREMENTS – LIABILITIES	**B**	**868,508**	**121,295**	**-94**	**989,709**
Working capital requirements	**A-B**	**15,357**	**-26,754**	**1,560**	**-9,837**
including change in tax receivables and payables			*-2,776*		
including change in operating receivables and payables			*-23,978*		

Other changes mainly include reclassifications of statement of financial position items, as well as the impact of fluctuations in exchange rates and changes in Group structure.

NOTE 26 Maturity of receivables and liabilities

(in € thousands)	30/09/2014	Amounts not yet due or due for <1 year	Amounts due in between 1 and 5 years	Amounts due in > 5 years
Other non-current financial assets	22,531	22,287	122	122
Trade receivables (net)	386,892	386,377	515	-
Other current assets and current financial assets	262,816	261,172	1,500	144
TOTAL	**672,239**	**669,836**	**2,137**	**266**
Other non-current liabilities	2,992	2,992	-	-
Trade payables	384,060	383,966	94	-
Other current liabilities and current financial liabilities	602,657	599,281	3,229	147
TOTAL	**989,709**	**986,239**	**3,323**	**147**

Analysis of the main profit and loss items

NOTE 27 Revenue

(in € thousands)	2014/2013	2012/2013 on a like-for-like basis(*)	2012/2013 published data
Tourism business	1,141,082	1,131,244	1,137,002
Pierre & Vacances Tourisme Europe(1)	*590,366*	*598,606*	*598,606*
Center Parcs Europe(2)	*550,716*	*532,638*	*538,396*
Property development	274,352	169,691	169,691
TOTAL	**1,415,434**	**1,300,935**	**1,306,693**

(1) Pierre & Vacances Tourisme Europe includes the Pierre & Vacances, Maeva and Aparthotels Adagio®.
(2) Center Parcs Europe houses the Center Parcs and Sunparks brands.
(*) After reclassifications for consistency purposes.

Revenue by country

(in € thousands)	2014/2013	2012/2013
France	728,000	748,860
The Netherlands	194,851	180,556
Belgium	94,726	98,661
Germany	96,272	85,610
Spain	21,714	20,226
Italy	981	3,089
Other	4,513	0
TOURISM BUSINESS	**1,141,057**	**1,137,002**
France	250,420	148,690
Spain	3,532	2,814
Italy	23	0
Germany	20,402	18,187
Morocco	0	0
PROPERTY DEVELOPMENT	**274,377**	**169,691**
TOTAL	**1,415,434**	**1,306,693**

Revenue in France, where the registered office is located, amounted to €978,420,000.

NOTE 28 Purchases and external services

(in € thousands)	2013/2014	2012/2013
Cost of goods sold – Tourism	-34,748	-32,922
Cost of inventories sold – Property development[(1)]	-162,098	-92,956
Rent and other co-ownership expenses	-458,562	-467,119
Subcontracted services (laundry, catering, cleaning)	-76,646	-74,858
Advertising and fees[(1)]	-119,617	-119,507
Other	-168,507	-155,029
TOTAL	**-1,020,178**	**-942,391**

(1) The "Cost of inventories sold – Property development" for 2012/2013 includes a €22,822,000 charge previously reported under "Advertising and fees".

The €77,787,000 rise in Purchases and external services is mainly linked to the property development business (€69,142,000 increase in the cost of inventories sold).

Rent expense for 2013/2014 to individual and institutional owners of the land and buildings of the residences and villages operated by the Group was €371.0 million (€201.4 million for those marketed under Pierre & Vacances Tourisme Europe; and €169.6 million for the Center Parcs Europe villages). This expense was €378.6 million for 2012/2013.

NOTE 29 Employee expenses

(in € thousands)	2013/2014	2012/2013
Salaries and wages	-233,259	-233,580
Social security expenses	-78,070	-75,769
Defined-contribution and defined-benefit plan expenses	-855	-562
Share-based payment expenses	-1,048	-748
TOTAL	**-313,232**	**-310,659**

Employee expenses amounted to €313,232,000 in 2013/2014, up by €2,573,000 compared with 2012/2013. This amount included the recognition of accrued income for €4,799,000 corresponding to the competitiveness and employment tax credit (*Crédit d'Impôt pour la Compétitivité et l'Emploi* – CICE), compared with €2,856,000 for the previous financial year.

Share-based payment expenses

The features of the plans reported are as follows:

Date of grant by the Board of Directors *(in € thousands)*	Type(*)	Number of options granted	Vesting period	Share-based payment expenses 2013/2014	Share-based payment expenses 2012/2013
03/03/2011	OAA	222,500	4 years	-944	-944
28/05/2013	AGA	229,778	3 years	-289	-99
03/09/2013	AGA	13,333	3 years	-18	-1
02/12/2013	AGA	15,555	3 years	-57	-
26/05/2014	AGA	20,889	3 years	-37	-
TOTAL				**-1,345**	**-1,044**

(*) OSA: share subscription option.
OAA: share purchase option.
AGA: bonus share grant.

The employee expense recognised is the fair value of the options granted as calculated on the date of grant by the Board of Directors using the "Black & Scholes" method. This expense is spread over the vesting period along with corresponding increases in reserves.

The total expense is reported as €1,048,000 under employee expenses and as €297,000 under additional restructuring costs.

The following table presents the valuation assumptions and results for share options and bonus shares:

	Share price on date of grant	Exercise Price	Volatility	Expected life	Expected maturity	Risk-free rate	Expected dividend yield rate	Probability of beneficiaries leaving	Option value on date of grant
Plan 03/03/2011	€63.50	€63.93	36.80%	10 years	4 years	3.65%	3.19%	3%	€17.58
Plan 28/05/2013	€16.15	€0	36%	3 years	3 years	0.493%	2.5%	3%	€3.27
Plan 03/09/2013	€15.95	€0	37%	3 years	3 years	0.702%	2.5%	3%	€3.09
Plan 02/12/2013	€23.46	€0	39%	3 years	3 years	0.450%	2.17%	3%	€9.21
Plan 26/05/2014	€32.41	€0	42%	3 years	3 years	0.559%	0.2%	3%	€13.21

NOTE 30 Depreciation, amortisation and impairment

(in € thousands)	2013/2014	2012/2013 restated(*)
Depreciation and amortisation	-46,927	-47,964
Impairment losses	-5,021	-7,946
TOTAL	**-51,948**	**-55,910**

(*) Restated for the retrospective corrections described in Note 1.3.

The net impairment losses of €5,021,000 for 2013/2014 include provisions of €5,902,000 and reversals of unused provisions of €881,000 (compared with reversals of unused provisions of €3,270,000 for 2012/2013).

NOTE 31 Other operating income and expenses on ordinary activities

(in € thousands)	2013/2014	2012/2013
Taxes and duties	-18,544	-14,385
Other operating expenses on ordinary activities	-16,652	-4,030
Other operating income from ordinary activities	17,279	23,374
TOTAL	**-17,917**	**4,959**

"Other operating income and expenses from ordinary activities" comprise primarily taxes and duties such as payroll taxes (learning tax, training tax) and real estate tax; other operating income such as subsidies and insurance reimbursements; and other operating expenses such as certain registered office expenses.

"Other operating income from ordinary activities" amounted to €17,279,000 for 2013/2014, compared with €23,374,000 for the previous year. In 2012/2013, this item included €12,461,000 corresponding to the income received by the Pierre & Vacances-Center Parcs Group under the sub-licence contract for the use of the "Center Parcs" brand by the partner subcontractor Elior responsible for catering and food retail operations in the French and German villages.

NOTE 32 Other operating income and expenses

(in € thousands)	2013/2014	2012/2013
Gains (losses) on disposals	-159	599
Restructuring costs	-9,423	-27,375
Net additions to (reversals of) provisions for restructuring costs	3,077	-1,723
Impairment of non-current assets	-307	-565
Other items	-2,743	-4,781
TOTAL	**-9,555**	**-33,845**

"Other operating income and expenses" represent gross expenses of €9,555,000. They mainly comprise restructuring costs and provisions due to the continuation and strengthening of the transformation plan.

For 2012/2013, this item represented an expense of €33,845,000 primarily comprising restructuring costs and provisions due to the continuation and strengthening of the transformation plan (€29,098,000), as well as a €4,849,000 non-recurring expense recognised with respect to a dispute related to the co-ownership syndicate activity.

NOTE 33 Net financial income (expenses)

(in € thousands)	2013/2014	2012/2013 restated(*)
Gross borrowing costs	-22,543	-17,771
Income from cash and cash equivalents	462	1,006
NET BORROWING COSTS	**-22,081**	**-16,765**
Income from loans	1,028	817
Other financial income	259	1,441
Other financial expenses	-1,742	-1,667
Change in the fair value of the ORNANE derivative	3,579	
OTHER FINANCIAL INCOME AND EXPENSES	**3,124**	**591**
TOTAL	**-18,957**	**-16,174**
Total financial expenses	*-24,285*	*-19,438*
Total financial income	*5,328*	*3,264*

(*) Restated for the retrospective corrections described in Note 1.3.

Net financial expenses totalled €18,957,000 in 2013/2014, compared with €16,174,000 in 2012/2013. They are negatively impacted by non-recurring expenses of financial expenses of €4,216,000 related to the early redemption of 96.5% of the OCÉANE bonds in February 2014.

They also include €3,579,000 in non-cash financial income corresponding to the change in the fair value of the ORNANE derivative.

Restated for these two items, net recurring financial expenses totalled €18,320,000 for the year ended 30 September 2014, up €2,146,000 compared with the year ended 30 September 2013 (net financial expenses of €16,174,000).

NOTE 34 Income tax and deferred tax

Breakdown of the tax expense

The Group's tax expense is based on a tax rate of 34.43% and does not therefore include the additional contribution which has applied to companies reporting revenue greater than €250 million since 2011.

This additional contribution had no impact on the Group's financial statements for 2013/2014, since the Group reported a tax loss in France for the period concerned, which meant that no deferred tax asset was recognised.

(in € thousands)	2013/2014	2012/2013 restated(*)
Consolidated profit (loss) before tax	**-16,353**	**-47,327**
Untaxed income:		
Impact of losses carried forward and other temporary differences not recognised or exceeding thresholds	30,163	34,036
Use of recognized tax loss carryforwards	-7,673	0
Recognised tax losses and temporary differences excluding profit (loss) for the year	-3,680	
Intra-group transactions having a tax impact	2,002	-6,402
Other	-458	8,155
Taxable income (loss) at tax rate applicable in France	**4,001**	**-11,538**
Tax rate in France	*34.43%*	*34.43%*
Theoretical tax benefit at corporate tax rate applicable in France	**-1,378**	**3,973**
Differences on tax rates abroad(1)	-447	1,072
CVAE	-4,097	-5,317
Other items	-1,005	-3
GROUP TAX INCOME (EXPENSE)	**-6,927**	**-275**
of which tax payable (including CVAE)	-8,452	-6,630
of which deferred taxes	1,525	6,355

(*) Restated for the impact of the first-time application of revised IAS 19, as explained in Note 1.3.
(1) Including -€321,000 in Spain where the tax rate is 30%.

Tax losses for the year that were not activated due to their unlikely recovery within a reasonable time frame primarily relate to the tax group in France and certain Belgian entities.

Intra-group transactions having a tax impact mainly correspond to gains on intra-group disposals which are taxable but have no impact on the consolidated profit (loss) before tax.

Lastly, other non-taxable items amounted to -€458,000 for 2013/2014 and mainly correspond to non-deductible financial expenses, the competitiveness and employment tax credit (CICE) and the change in the fair value of the ORNANE bond.

Further to the rulings handed down in July 2013 by the Administrative Court, Pierre et Vacances SA obtained a favourable outcome to its dispute with the Tax Authorities relating to a tax inspection for the financial years 2003/2004, 2004/2005 and 2005/2006. Although the Tax Authorities launched an appeal against these decisions, in light of the ruling and the findings of the Reporting Judge *(Rapporteur Public)* and the advice of tax advisors, the Pierre & Vacances-Center Parcs Group does not anticipate any financial risk. It also obtained revocation of the bank guarantee, set up on 30 November 2011 following the request for recovery made as a result of this audit, as well as obtaining reimbursement of all costs incurred as a result of setting up this guarantee.

Analysis of deferred tax assets and liabilities by type and by country

Within the same country, the majority of the Group's entities consolidate their taxable profit. The breakdown of the Group's deferred tax position by country therefore reflects the position of each tax consolidation subgroup.

(in € thousands)	30/09/2013	Change through profit or loss	Change through other comprehensive income or loss	30/09/2014
France	-365	-2,321	175	-2,511
The Netherlands	-14,901	-2,303	-775	-17,979
Belgium	-736	-29	27	-738
Germany	-569	842	0	273
Spain	270	0	0	270
Italy	184	-8	0	176
Deferred taxes on temporary differences	**-16,117**	**-3,819**	**-573**	**-20,509**
France	80,605			80,605
The Netherlands	0			0
Belgium	4,437	1,364		5,801
Germany	2,613	1,875		4,488
Spain	148	2,174		2,322
Italy	0			0
Deferred tax on losses carried forward	**87,803**	**5,413**	**0**	**93,216**
TOTAL	**71,686**	**1,594**	**-573**	**72,707**
of which deferred tax assets	76,598			76,919
of which deferred tax liabilities	-4,912			-4,212

At 30 September 2014, the Group's net deferred tax position amounted to €72,707,000, -€20,509,000 of which represent temporary differences. This amount primarily includes a €21,468,000 deferred tax liability recognised in the Netherlands for the Center Parcs brand (estimated at €85,870,000).

Deferred taxes recognised with respect to tax losses at 30 September 2014 amounted to €93.2 million, including €80.6 million in respect of tourism and property development activities carried out by the Group in France.

Losses carried forward are only recognised as deferred tax assets when the business plan confirms that they will be used within a reasonable time frame. At 30 September 2014, a reasonable time frame is set at within six years.

The tax rules applicable at the reporting date, namely those approved at 30 September 2014, were used to calculate the amount of deferred taxes.

In addition, it should be noted that the amount of tax losses which may be used in France is subject to a ruling limiting the crediting of taxable losses to 50% of the profit beyond the first €1 million and in Germany, up to 60% of the profit beyond the first €1 million.

Unused losses carried forward totalled €208.3 million. This relates the French tax consolidation group for an amount of €106.8 million.

NOTE 35 Earnings per share

Average number of shares

	2013/2014	2012/2013
Number of shares outstanding at 1 October	8,821,551	8,821,551
Number of shares issued during the financial year	0	0
Number of shares issued at the end of the period	**8,821,551**	**8,821,551**
Weighted average number of shares	8,446,523	8,449,649
Weighted average number of potential shares	8,709,747	8,528,515

The various dilutive instruments included in calculating the weighted average number of shares after dilution are presented below:

Number of bonus shares (AGA), share subscription options (OSA) and share purchase options (OAA) granted by the Board of Directors:	Type	Exercise price (in €)	2013/2014	2012/2013
granted on 28/05/2013 and outstanding	AGA	0	229,768	77,866
granted on 03/09/2013 and outstanding	AGA	0	13,333	1,000
granted on 02/12/2013 and outstanding	AGA	0	12,879	-
granted on 26/05/2014 and outstanding	AGA	0	7,244	-
		-	263,224	78,866

Earnings per share

	2013/2014	2012/2013 restated(*)
Profit (loss) attributable to owners of the Company (in € thousands)	-23,389	-47,608
Weighted basic earnings (loss) per share, attributable to owners of the Company (in €)	-2.77	-5.63
Weighted diluted earnings (loss) per share, attributable to owners of the Company (in €)(**)	-2.77	-5.63

(*) Restated for the retrospective corrections described in Notes 1.3.

(**) The conversion of potential ordinary shares into ordinary shares would decrease the net loss per share. Therefore, in accordance with IAS 33, diluted earnings (loss) per share is equal to basic earnings (loss) per share.

1

Other financial information

NOTE 36 Number of employees

The average annual number of employees (full-time equivalent) of the Pierre & Vacances-Center Parcs Group companies that are fully or proportionally (taken at 100%) consolidated stood as follows:

	2013/2014	2012/2013 (restated data)
Management	1,369	1,377
Supervisory staff and other employees	6,626	6,782
TOTAL	**7,995**	**8,159**

NOTE 37 Off-statement of financial position commitments

The collateral granted by the Group to secure its bank loans and reciprocal commitments are detailed respectively in Note 19 – Financial liabilities and Note 21 – Hedging financial instruments. They are therefore not included in the table below:

	Maturities				
(in € thousands)	< 1 year	1 to 5 years	> 5 years	30/09/2014	30/09/2013
Rent commitments	326,115	1,084,908	880,560	2,291,583	2,452,732
Other commitments given	33,619	82,536	5,242	121,397	69,369
Commitments given	**359,734**	**1,167,444**	**885,802**	**2,412,980**	**2,522,101**
Completion guarantees	90,217		0	90,217	70,162
Other commitments received	4,941	849	47,105	52,895	45,496
Commitments received	**95,158**	**849**	**47,105**	**143,112**	**115,658**

Commitments given

- When the land and buildings of the residences and villages operated by the Pierre & Vacances-Center Parcs Group's tourism operating companies are sold, a lease is signed with the new owners.

At 30 September 2014, the rent remaining to be paid by the Group over the residual term of these leases amounted to €2,292 million. The present value of these rent commitments, discounted at a rate of 6.0%, is €1,754 million, of which €1,199 million has a maturity of five years or less.

Breakdown of rent commitments by business segment and maturity date at 30 September 2014:

		Maturities					
(in € thousands)	30/09/2014	< N+1	N+2	N+3	N+4	N+5	> N+5
Pierre & Vacances Tourisme Europe	804,142	154,836	134,559	113,384	101,569	79,661	220,132
Center Parcs Europe	1,487,441	171,279	167,704	161,724	164,359	161,947	660,428
TOTAL	**2,291,583**	**326,115**	**302,263**	**275,108**	**265,928**	**241,608**	**880,560**

The main features of the land and buildings lease agreements for the Pierre & Vacances Tourisme Europe residences and villages entered into with private or institutional investors are usually signed for between 9 and 12 years with the option of renewal on expiry. The leases signed include a fixed rent payment. In certain cases, they can include, in addition to the fixed portion, a variable portion that remains marginal. These rents are subject to indexation clauses corresponding in France to the rent reference index, and in Italy and Spain to the consumer price index applicable in the respective country.

The agreements to lease the land and buildings of the 23 villages operated under the Center Parcs and Sunparks brands are generally signed for periods of between 11.5 and 15 years, with the option of renewal. The rents are primarily comprised of a fixed element. They are subject to fixed (2.9%) or variable indexation reflecting inflation or the rent reference index applicable in the country in which the assets are located, with floor and ceiling rates usually between 1.75% and 3.75%, depending on the agreement.

Furthermore, Société d'Investissement Touristique et Immobilier (a company indirectly controlled by the Chairman, founder and indirect majority shareholder of Pierre et Vacances SA) has a purchase option allowing it to buy, for €70 million, the land and buildings of the Center Parcs village of Eemhof (in the Netherlands) when their lease expires, namely in October 2023.

- At 30 September 2014 other commitments given mainly comprised:
  - commitments given under the IT solutions and material outsourcing contract, totalling €49,414,000,
  - a €30,000,000 guarantee issued by Pierre et Vacances SA to Crédit Agricole Corporate et Investment Bank, on behalf of SNC Presqu'île de la Touques for the property development programme in Deauville,
  - a €15,733,000 guarantee issued by Pierre et Vacances SA to the town of Deauville, on behalf of SNC Presqu'île de la Touques for the acquisition of a property complex,
  - a €3,750,000 guarantee issued by Pierre et Vacances SA to Natixis, on behalf of SAS Foncière Presqu'île de la Touques for the property development programme in Deauville,
  - a surety bond of €7,608,000 issued by Pierre et Vacances SA to Bellin, on behalf of SNC Bois de la Mothe Chandenier Cottages for the payment of exterior work contracts for Center Parcs in the Vienne region,
  - a €6,636,000 guarantee issued by Pierre et Vacances SA to Bellin, on behalf of SNC Bois de la Mothe Chandenier Équipements for the payment of exterior work contracts for Center Parcs in the Vienne region,
  - a counter-guarantee of €1,200,000 issued by Pierre et Vacances SA to Unicredit Bank Austria AG, on behalf of Uniqua, owner of a city residence building in Vienna, Austria, which is operated by New City Aparthotels Betriebs GmbH.

  Over the course of 2013/2014, some of the commitments given by the Pierre & Vacances-Center Parcs Group were extinguished. They mainly concerned:
  - a €2,000,000 guarantee issued by Pierre et Vacances SA to Société d'Aménagement Arve-Giffre (SAG), on behalf of SNC Flaine Montsoleil Centre for land acquired in Haute-Savoie,
  - a counter-guarantee of €1,100,000 issued by Pierre et Vacances SA to HSBC, on behalf of TH Hôtels Espagne SA, owner of a residence building in Torremolinos, Spain, which is operated by Sociedad de Explotacion Turistica Pierre & Vacances Espana SL.

Commitments received

Completion guarantees are issued by banks with respect to property development programmes. The change in completion guarantees at 30 September 2014 resulted from:

- new guarantees issued during the year for a total amount of €43,238,000. The main programmes concerned are Villages Nature Hébergement (€10,513,000); Villages Nature Équipement (€7,885,000); Foncière Presqu'île de La Touques (€7,075,000); Colmar Loisirs (€6,571,000); Les Senioriales – Cenon (€9,360,000);
- a total drop of €24,589,000 arising from the decrease in the amount of several guarantees during the year relating mainly to Les Senioriales – Marseille Saint Loup (-€4,724,000), Les Senioriales – Charleval (-€3,474,000), Les Senioriales – Izon (-€3,612,000) and Nancy (-€3,488,000).

Other commitments received mainly include:

- commitments given by banks on behalf of the property development and tourism companies. These commitments enable the latter to obtain the relevant licences to conduct their property management, business and property trading and travel agency activities so that they can carry out their regulated business. At 30 September 2014, these commitments totalled €44,701,000;
- the guarantee granted by Accor to Pierre et Vacances SA for the operation of city residences in Austria (€600,000).

NOTE 38 Remuneration of executive management and directors

Attendance fees paid to members of the Board of Directors in 2014 in respect of financial year 2013/2014 amounted to €125,000 compared to €155,000 for 2012/2013.

For the years ended 30 September 2014 and 30 September 2013, no salary (including benefits of any kind) was paid to a corporate officer directly by Pierre et Vacances SA or by any of the Pierre & Vacances-Center Parcs Group companies controlled as defined in Article L. 233-16 of the French Commercial Code.

However, Société d'Investissement Touristique et Immobilier (a company indirectly owned by the Chairman, founder and majority shareholder of Pierre et Vacances SA), as an asset management company, invoiced for fees for the services rendered by Gérard Brémond, Françoise Gri, Thierry Hellin and Patricia Damerval. The fees invoiced by S.I.T.I. were calculated on the basis of direct costs (remuneration paid + employer's contributions + other direct costs: travel, premises, secretarial costs) plus a 5% margin and calculated prorata for the time spent by each individual on managing the business of Pierre & Vacances-Center Parcs Group companies.

Since these people are on the Group Executive Management Committee, their remuneration is included in the table below:

	2013/2014	2012/2013
Fixed remuneration(1)	1,632,015	1,507,270
Variable remuneration(2)	635,290	297,425
Post-employment benefits(3)	19,647	15,622
Share-based remuneration(4)	373,770	323,265
TOTAL	**2,660,722**	**2,143,582**

(1) Amount paid including reinstatement of the benefit in kind involving the availability of a company car.
(2) Paid in the financial year following the year for which it is granted.
(3) This amount corresponds to the expense recognised during the financial year.
(4) Represents the annual share-based remuneration expense on grants of share options and bonus shares (theoretical measurement on the basis of the of Pierre et Vacances shares at the date of grant). The €296,958 relating to options is for instruments which will only vest (and therefore may be exercised) from 4 March 2015, subject to presence and/or performance conditions, and for which the value, to date, can be considered to be zero due to the drop in the price of the Pierre et Vacances share well below the exercise price (€63.93).

For each of them, the variable bonus is determined based on the financial performance of the Pierre & Vacances-Center Parcs Group and the achievement of personal objectives.

NOTE 39 Parent company

The Pierre & Vacances-Center Parcs Group's financial statements are fully consolidated into those of Société d'Investissement Touristique et Immobilier (S.I.T.I.).

NOTE 40 Related party transactions

The Group's related parties consist of:

- members of the administrative and management bodies: their remuneration and benefits are detailed in Note 38;
- the parent company of Pierre et Vacances (Société d'Investissement Touristique et Immobilier) and its subsidiaries which are not included in the Group's scope of consolidation;
- joint ventures which are proportionally consolidated: Group entities Villages Nature, Montrouge Développement, Nuit & Jour Projections, Part House, Adagio Group entities, N.L.D., Caen Meslin, Nantes Russeil and La Financière Saint-Hubert SARL;
- SDRT Immo (property development company owned by Pierre et Vacances Maroc) accounted for via the equity method;
- La SNC Nature Hébergements 1, consolidated using the equity method.

The main transactions with related companies include:

- rent and administrative staff invoicing;
- the purchase of support and consulting services under the management agreement;
- the apartment lease contracts operated by the subsidiary PV Résidences & Resorts France.

These transactions are completed under normal market conditions.

Related party transactions break down as follows:

(in € thousands)	30/09/2014	30/09/2013
Revenue	9,756	2,655
Purchases and external services	-11,097	-14,709
Other operating income and expenses on ordinary activities	5,427	-2
Net financial income (expenses)	-441	710

Receivables and liabilities included in the statement of financial position linked to related parties:

(in € thousands)	30/09/2014	30/09/2013
Trade receivables	126,722	4,393
Other current assets	15,384	31,123
Trade payables	6,580	6,894
Other financial liabilities	7,374	17,702

Off-statement of financial position commitments linked to related parties:

(in € thousands)	30/09/2014	30/09/2013
Guarantees and pledges	1,200	1,200
Rent commitments	28,803	36,845
Commitments given	**30,003**	**38,045**
Guarantees and pledges	600	600
Completion guarantees	0	0
Commitments received	**600**	**600**

NOTE 41 Joint ventures

The following companies are controlled jointly and proportionally consolidated at 30 September 2014:

- SCI Montrouge Développement (50%);
- Entities comprising the Villages Nature group (50%);
- Part House SRL (55%);
- Nuit & Jour Projections SL (50%);
- Entities comprising the Adagio group (50%);
- SNC N.L.D. (50%);
- SCCV Nantes Russeil (50%);
- SNC Caen Meslin (40%);
- La Financière Saint-Hubert SARL (55%);
- La SAS Foncière Presqu'île de la Touques (50%);
- Les Senioriales Ville de Castanet (50%).

The contributions to the main aggregates on the Group's statement of financial position and income statement are as follows (in share owned by the Group):

Information on the statement of financial position

(in € thousands)	30/09/2014	30/09/2013
Non-current assets	6,934	6,795
Current assets	173,493	34,701
TOTAL ASSETS	**180,427**	**41,496**
Non-current liabilities	5,680	1,243
Current liabilities	136,957	37,147
TOTAL LIABILITIES EXCLUDING EQUITY	**142,637**	**38,390**

Information on the income statement

(in € thousands)	2014/2013	2013/2012
Revenue	39,085	19,411
Operating profit (loss) from ordinary activities	4,842	2,440
Profit (loss) for the year	3,135	1,784

NOTE 42 Significant events since the 2013/2014 reporting period

Governance

On 20 October 2014 Gerard Bremond, the Group Chairman, took over the position of Chief Executive Officer, as the Win strategic plan became operational.

To continue the growth of the tourism business, Martine Balouka-Vallette was appointed Chief Executive Officer for Tourism – Pierre & Vacances and Center Parcs, resulting in the departure of Françoise Gri, who was previously Group CEO.

Martine Balouka-Vallette, who joined the Group in 2002, successfully led the Tourism business segment of Pierre & Vacances and Maeva for seven years. She then orchestrated the Group's entry in the Moroccan market. Since 2012, she has been Chief Executive Officer of Adagio which under her leadership has expanded rapidly, especially internationally, and significantly increased its performance.

Martine Balouka-Vallette is on the Group's Executive Management Committee and the Board of Directors of Pierre et Vacances SA.

Gérard Brémond will be supported by the Group Executive Committee consisting of the two Deputy Chief Executive Officers of the Group, Patricia Damerval and Thierry Hellin, and by Martine Balouka-Vallette.

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 30 September 2014

To the Shareholders,

In compliance with the assignment entrusted to us by your Shareholders' Ordinary Meeting, we hereby report to you, for the year ended 30 September 2014, on:

- the audit of the accompanying consolidated financial statements of Pierre et Vacances;
- the justification of our assessments;
- the specific verification required by law.

The consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the annual financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and financial position of the Group, as well as of the results of its operations, in accordance with IFRS accounting standards as adopted in the European Union.

Without calling into question the opinion expressed above, we would like to draw your attention to Note 1.3 to the consolidated financial statements, which details the change in the accounting policy used to present the financial statements since the previous financial year-end resulting from the adoption of the amendments to IAS 19 "Employee Benefits".

II. Justification of our assessments

In accordance with the provisions of Article L. 823-9 of the French Commercial Code on the justification of our assessments, please note the following items:

As indicated in Note 1.5 to the consolidated financial statements, these estimates are used in particular to calculate the recoverable amount of goodwill, intangible assets with indefinite useful lives, deferred tax assets and the classification of lease agreements. Our work consisted of examining the reasonableness of the assumptions upon which these estimates were based and the review of the calculations performed by your Company.

Notes 1.11, 1.12, 1.14, 4, 5, 6 and 7 to the consolidated financial statements describe the accounting methods and means of valuing goodwill and property, plant and equipment and intangible assets. As part of our assessment of the accounting rules and principles used by your Group, we verified the consistency of the data and assumptions used, as well the appropriateness of the accounting methods used and the information provided in the notes to the consolidated financial statements.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verification

In accordance with French law, we have also verified, in accordance with professional standards applicable in France, the information presented in the Group's management report.

We have no matters to report as to their fair presentation and consistency with the consolidated financial statements.

Paris and Paris-La Défense, 19 January 2015

The Statutory Auditors

AACE ÎLE-DE-FRANCE French member of Grant Thornton International	ERNST & YOUNG et Autres
Michel Riguelle	Bruno Bizet

2

PIERRE ET VACANCES SA

INFORMATION ON THE COMPANY AND ITS SHARE CAPITAL

COMPANY INFORMATION

GENERAL INFORMATION

Legal name

Pierre et Vacances.

Registered office

L'Artois – Espace Pont de Flandre – 11, rue de Cambrai – 75947 Paris Cedex 19.

Telephone number: +33 (0)1 58 21 58 21.

Legal form

A French Public Limited Company *(Société Anonyme)* with a Board of Directors, incorporated under French law and governed by the French Commercial Code and by its articles of association.

Date of incorporation and term of the Company

The Company was incorporated for a term of 99 years with effect from its registration in the Paris Trade and Companies Register on 7 August 1979, except in the event of an early dissolution or extension.

Corporate purpose (Article 2 of the articles of association)

The purpose of the Company is to:

- acquire equity interests in other companies, by means of the formation of companies, contributions of companies, subscriptions for or purchases of shares or equity interests, mergers, alliances, partnerships or any other means, and particularly in companies that are active in the following areas:
  - sell and manage property,
  - acquire, develop and resell land, and construct property,
  - operate, in whatever form, residences, hotels, motels, unfurnished or furnished premises, and restaurants of all kinds; all activities relating to the organisation and management of holidays and leisure activities; all direct or indirect equity investments in any French or foreign companies involved in the above businesses or likely to promote the development thereof;
- manage and provide technical, administrative, legal and financial assistance to these companies and their subsidiaries; and
- generally carry out all commercial and financial transactions, and all transactions involving property and equipment, relating directly or indirectly to the above business purpose or likely to help in the development thereof.

Trade and Companies Register

316 580 869 RCS Paris.

Business activity code

7010Z.

Financial year

The Company's financial year runs from 1 October to 30 September of the following year.

Consultation of documents and information relating to the Company

Company documents for the past three financial years (annual financial statements, minutes of Shareholders' Meetings, attendance sheets for said Shareholders' Meetings, lists of directors, Statutory Auditors' reports, articles of association, etc.) can be consulted at the Pierre et Vacances registered office.

In addition, the Company's articles of association and, where applicable, the reports, correspondence, assessments and declarations made by an expert at the Company's request, and the Company's historic financial information for the previous two years may be consulted at the Pierre et Vacances registered office.

Appropriation of earnings (Article 20 of the articles of association)

Net income generated during the financial year, after deducting overheads and other expenses incurred by the Company, including all depreciation, amortisation and impairment losses, represents the profit (or loss) for the financial year.

Of this profit, less any losses carried forward, at least one twentieth shall be appropriated in order to build up the regulatory reserve required by law. Such transfers should continue for as long as the regulatory reserve represents less than one tenth of the total share capital.

The residual balance, plus any profit carried forward, constitutes the profit available for distribution to shareholders.

The Shareholders' Ordinary Meeting may appropriate whatever sums it deems fit, either to be carried forward as retained earnings to the following financial year, or to be transferred to one or more general or special reserves, the use or allocation of which is determined by the Meeting.

The Shareholders' Ordinary Meeting may also decide to make payouts from the reserves available for this purpose. Where this is the case, the applicable resolution must expressly indicate from which reserves the payout shall be made.

The Meeting may offer each shareholder the option to receive all or part of the dividend payment in the form of shares (subject to legal conditions) or in cash.

Specific clauses in the articles of association

Double voting rights (Article 16 of the articles of association)

With effect from the Shareholders' Extraordinary Meeting of 28 December 1998, voting rights double those conferred on other shares, in view of the portion of share capital that they represent, shall be attributed to all fully paid-up shares for which proof of registration in the name of the same shareholder for a period of at least two years has been provided.

In the event of an increase in the share capital by incorporation of reserves, profits or share premiums, double voting rights shall be attributed from the date of issue to registered shares allotted free of charge to a shareholder as a result of his ownership of existing shares that are already entitled to double voting rights.

Shares converted to bearer shares or whose ownership is transferred lose their double voting rights.

Notwithstanding the above, the transfer by inheritance, by liquidation of spouses' joint property, or by *inter vivos* donation to a spouse or relative in the line of succession shall not entail the loss of double voting rights, and shall not interrupt the time period stipulated in Article L. 225-123 of the French Commercial Code. The same applies in the event of a transfer as a result of a merger or demerger of a shareholding company.

Identifying shareholders (Article 7 of the articles of association)

The Company may at any time, subject to the conditions laid down by regulations, ask the body responsible for clearing its shares to reveal the names, addresses and nationalities of holders of shares conferring an immediate or future right to vote at its Shareholders' Meetings, together with the number of shares held by each such shareholder and any restrictions attached to these shares; at the Company's request, the above information may be limited to shareholders holding a minimum number of shares set by the Company.

Breaching of thresholds (Article 8 of the articles of association)

In addition to the disclosure concerning legal thresholds, any individual or entity who, acting alone or in concert, comes to hold a percentage of the capital or voting rights equal to or exceeding 5% or a multiple thereof, directly or indirectly, within the meaning of Article L. 233-9 of the French Commercial Code, is required to notify the Company by registered letter with proof of receipt within five trading days of crossing each of these thresholds, indicating the number of voting rights and shares held and the voting rights attached thereto. This notice of the crossing of shareholding thresholds also indicates if the shares or attached voting rights are or are not held on behalf of or in concert with any other individual or entity.

If not disclosed as provided above, the shares that exceed the percentage and should have been disclosed are deprived of voting rights at future shareholders' meetings, if one or more shareholders holding collectively at least 5% of the Company's share capital or voting rights so request and the request is recorded in the minutes of the Shareholders' Ordinary Meeting. The deprivation of voting rights applies to all future Shareholders' Meetings until the expiry of a period of two years from the date the disclosure is made.

Shareholders' Ordinary Meetings (Articles 16, 17 and 18 of the articles of association)

Shareholders' Ordinary Meetings shall be held at the registered office of the Company or at any other place indicated in the meeting notice.

Any shareholder is entitled to attend Shareholders' Ordinary Meetings in person or by proxy, on proof of their identity and share ownership.

The right to participate in Shareholders' Ordinary Meetings is subject:

- in the case of registered shareholders, to entry of the shares in the name of the shareholder in the Company registers at least two working days before the Shareholders' Ordinary Meeting;
- in the case of holders of bearer shares, to the filing, according to the conditions stipulated by law, of the certificate drawn up on the basis of the shareholder certificate *(attestation of participation)* issued by the authorised intermediary two working days before the date of the Shareholders' Ordinary Meeting.

Any shareholder shall be entitled to exercise a postal vote using a form that may be obtained under the terms specified in the meeting notice and under the conditions provided by law.

Any shareholder may also, if the Board of Directors so decides at the time the Meeting is convened, participate and vote at the Shareholders' Ordinary Meeting by means of electronic telecommunication enabling their identity to be established under the conditions provided by law.

Shareholders participating in the Meeting by videoconference, or by any other means of electronic telecommunication enabling their identity to be established under the conditions provided by law, shall be deemed to be present for the purposes of establishing quorum and majority.

Methods of convening Shareholders' Meetings

Shareholders' Ordinary Meetings are convened by the Board of Directors or, failing this, by the Statutory Auditors, in accordance with the requirements of Article R. 225-162 of the French Commercial Code, or else by a corporate officer designated by the Presiding Judge at the Commercial Court ruling in summary proceedings upon request or, in an emergency, by any interested party or by one or more shareholders together holding at least 5% of the issued capital.

Notice of meeting shall be given in the form of an announcement published in one of the journals authorised to publish legal notices in the administrative department in which the Company's registered office is located. Shareholders holding registered shares shall be convened by formal letter, which can be sent by registered post at the shareholders' request with the latter bearing the cost of the same.

If all the shares are held in registered form, the notices provided for in the previous paragraph may be replaced by a meeting notice sent by registered post to each shareholder, with the Company bearing the cost of the same.

INFORMATION ABOUT THE S.I.T.I. GROUP

SA *Société d'Investissement Touristique et Immobilier* – S.I.T.I., a Pierre & Vacances-Center Parcs Group management holding company, indirectly controlled by Gérard Brémond via SCI S.I.T.I. "R", has a 44.25% interest in Pierre et Vacances SA. The Pierre & Vacances subgroup constitutes the main asset of S.I.T.I SA and is fully consolidated.

S.I.T.I.'s equity interests to date outside Pierre et Vacances SA consist mainly of:

- assets not transferred to Pierre et Vacances SA, prior to its initial public offering in June 1999. These are mainly companies holding land (CFICA, Lepeudry et Grimard, La Buffa, etc.) and various non-strategic assets (SAEM de Morzine Avoriaz, etc.);
- companies involved in other business sectors (interests held through GB Développement: Cine-@, TSF Jazz, Duc des Lombards, etc.);
- companies bought back during financial years 2004/2005 and 2005/2006 from individual investors, relating to apartments in Pierre & Vacances villages in Martinique and in Guadeloupe (SNC Société Hôtelière de la Rivière à la Barque, SNC Société Hôtelière de la Plage du Helleux and SNC Filao). Some of these apartments were split sold to individual investors.

HISTORY OF THE PIERRE & VACANCES-CENTER PARCS GROUP

1967: Gérard Brémond launches a new tourist resort concept in Avoriaz.

1970 to 1997: the concept is implemented and expanded:

- application of property development and tourism know-how in other Alpine resorts and seaside locations;
- company acquisitions, site takeovers and tourism developments;
- launch, in 1979, of the "Ownership & Holidays" formula enables private individuals to acquire full ownership of an apartment for a reduced investment thanks to the deduction of VAT and the prepayment of rent.

1999 to 2003: the Group carries out major external growth operations and increases its power:

- 1999: acquisition of Orion Vacances (20 residences) – Initial public offering;
- 2000: acquisition of the Dutch group GranDorado, the leading operator of holiday villages for short-stay rentals in the Netherlands;
- 2001: three major acquisitions:
  - 50% of Center Parcs Europe (ten villages: five in the Netherlands, two in France, two in Belgium and one in Germany),
  - 100% of the Maeva group, the second largest operator of holiday residences in France (138 residences and hotels),
  - rent management companies, companies operating mechanical lifts and property at the mountain resort of Valmorel;
- 2002: acquisition of Résidences MGM, a tourism operating company running luxury leisure residences (12 residences);
- 2003: the Group becomes the sole shareholder of Center Parcs Europe.

2004-2005: with a leading presence in all segments of the leisure residence range, the Group takes a further step in its ongoing growth:

- 2004: acquisition by Center Parcs Europe of the holiday village "Butjadinger Küste" in Tossens, Germany.

  Gestrim partnership: an agreement to develop together, within Citéa, the residence management business through 2-star city hotels;
- 2005: start of construction of the new Center Parcs, Domaine du Lac de l'Ailette village in France.

  Signing of a partnership agreement with WWF France to ensure a progressive environmental approach.

  Opening of Bonavista-Bonmont, located in Calalogne, the first residence built by the Pierre & Vacances-Center Parcs Group in Spain.

  The Group carries out a major earnings growth initiative, primarily focused on improving the performance of its tourism businesses and continues to develop and improve the quality of its holiday residence portfolio through property development.

2006: launch of the fourth Center Parcs project in France (in Moselle – Lorraine).

2007: Pierre & Vacances and Accor join forces to develop a network of city residences in Europe and to become leaders in this market under the Adagio City Aparthotel brand;

Acquisition of the Belgian Group Sunparks, relating to the operation and the real-estate assets of four 3/4-star villages similar to Center Parcs located on the Belgian coast, in the Ardennes and in the Campine;

Villages Nature project: a letter of intent is signed between the State, Euro Disney and Pierre & Vacances confirming the interest in and support for this innovative project by the State, in collaboration with French local authorities;

Acquisition of the property development company Les Senioriales, specialising in building residences aimed at active seniors;

Opening of the third Center Parcs in France (Domaine du Lac de l'Ailette village).

2008: signing of a letter of intent to build a fifth French Center Parcs village in Isère in the commune of Roybon;

Opening of six residences under the Adagio City Aparthotels brand.

2009: signing of a strategic partnership agreement with CDG *(Caisse de Dépôt de Gestion du Maroc)* for the development of tourism and property development projects in Morocco;

Acquisition of the tourism operations of Intrawest in the Alps (Arc 1950 and Flaine Montsoleil);

Sale of the business goodwill of three Latitudes hotels (Val d'Isère, Arc 1800 and Les Ménuires).

2010: opening of the fourth Center Parcs in France, in Moselle-Lorraine (Domaine des Trois Forêts village);

Announcement of the planned sixth Center Parcs in France, in Vienne;

Opening of seven residences under the Adagio City Aparthotels brand;

Signing of the Villages Nature development agreement with the authorities.

2011: acquisition of Citéa by Adagio City Aparthotel;

Signing of the final agreements for the creation of the Center Parcs de Bostalsee (in Sarre) and closure of the project financing;

Signing of a framework agreement for the development of a new Central Parcs in southern Germany (Baden Wurttemberg) and for the purchase of the land;

Disposal of three Latitudes hotels (Trouville, Courchevel 1650, Toulouse); renovation of approximately 400 cottages in the Center Parcs at Domaine des Bois Francs (Normandy) and Domaine des Hauts de Bruyères (Sologne).

2012: signing of a Master Franchise agreement between Adagio City Aparthotel and Accor Latin America for the introduction of the Adagio and Adagio access ranges in Brazil;

Disposal of the Latitudes hotel in Valescure;

Renovation of 350 cottages in the Domaine des Hauts de Bruyères and seven Center Parcs villages in the Netherlands, Germany and Belgium;

Marketing launch of Center Parcs Vienne;

Villages Nature: issue of five building permits covering the first tranche of 857 accommodations and the majority of equipment.

2013: Business partnership agreement signed with TUI France;

Opening of Center Parcs Bostalsee in the Sarre region (fifth Center Parcs in Germany);

Sale of the Maeva village in the Camargue;

Opening of the first Adagio Aparthotels© in the UK, in Liverpool;

Off-plan sales agreement for sporting and leisure facilities at Center Parcs Vienne signed with a semi-public company, majority owned by the Vienne Département, the Poitou-Charentes Region and the Caisse des Dépôts et Consignations;

Definitive agreement signed for the block sale of cottages at Center Parcs Vienne to institutional investors for €156.9 million, inclusive of tax.

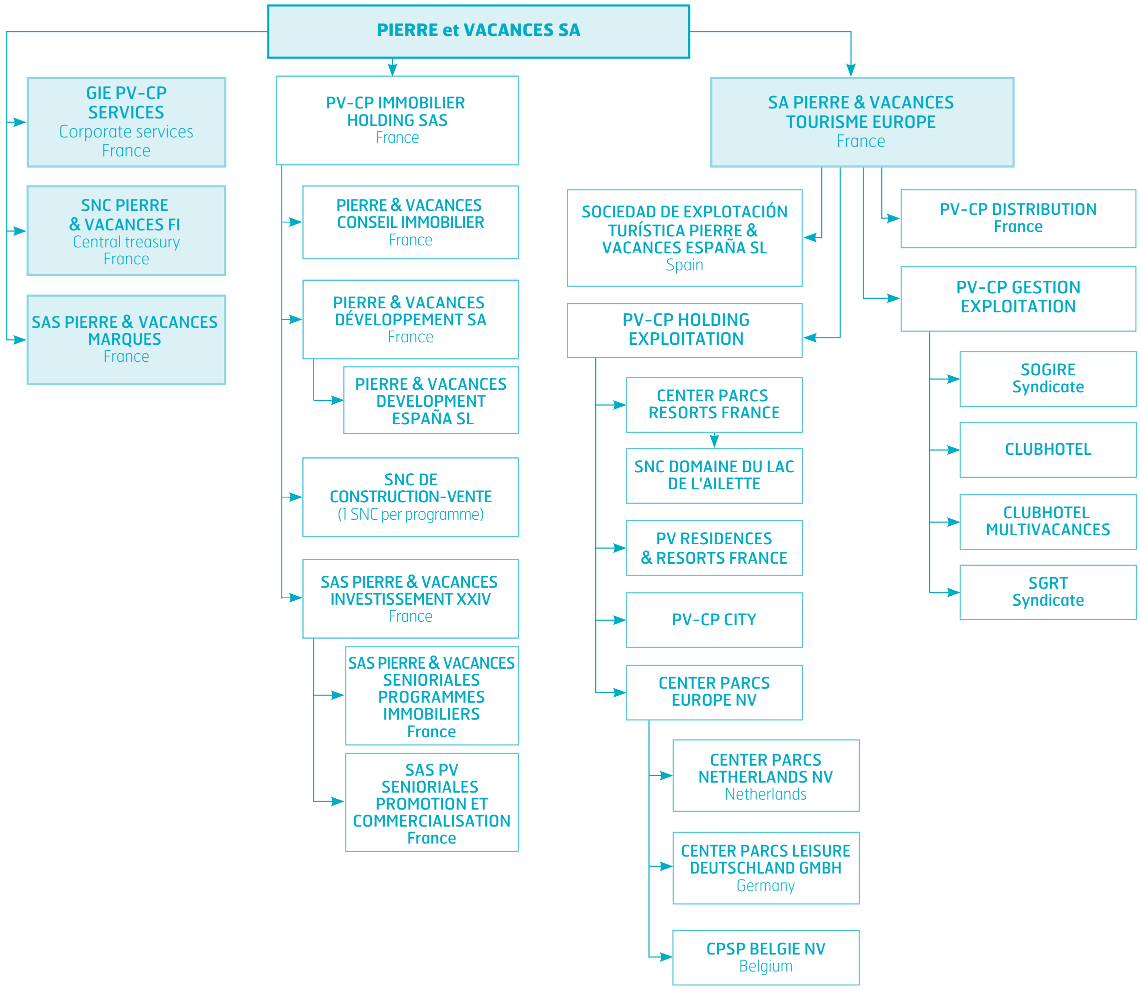
2014: Overall refinancing of the Group's debt (bank loans of €185 million and the issuance of an ORNANE convertible bond for €115 million);

Start of construction for Domaine du Bois aux Daims (Center Parcs in the Vienne region);

Signing of the financing agreements for the first tranche of Villages Nature Phase I.

LEGAL FORM OF PIERRE ET VACANCES

Simplified organisational structure at 30 September 2014



The companies above are fully owned and fully consolidated.

Pierre et Vacances SA, the Group holding company, listed on Eurolist of Euronext Paris, holds equity interests in all the subholdings. It pays the external fees and expenses relating to the registered office at Artois, in the 19th district of Paris (particularly the rents), which it reinvoices to the various Group entities according to certain allocation criteria, particularly the square footage occupied. Pierre et Vacances SA is required to give sureties or guarantees to banks on behalf of its subsidiaries when setting up *corporate finance* or financial completion guarantees.

GIE PV-CP Services provides and invoices for management, administration, accounting, financial and legal services for the Group and handles the services shared by the Group's companies through service agreements.

Pierre & Vacances FI is the Group's central cash management company. It collects the surplus cash from the subsidiaries, redistributes it to those that need it and invests the balance.

Pierre & Vacances Marques SAS owns and manages the Pierre & Vacances, Maeva and Multivacances brands. As such, it reinvoices the Tourisme France operating entities for brand royalties.

Pierre & Vacances Tourisme Europe, the holding company for tourism activities, controls:

- *PV-CP Gestion Exploitation SAS,* the holding company for the business segment dedicated to portfolio management activities and relationships with owners;
- PV-CP Distribution SA, a travel agency, dedicated to promoting and selling residences and villages (not including selling and marketing of Center Parcs products for the BNG area, which are handled by Center Parcs Europe NV and its subsidiaries). In this capacity, PV-CP Distribution SA reinvoices its selling fees to PV Résidences & Resorts France and Center Parcs Resorts France;
- PV-CP Holding Exploitation SAS, the holding company for the business segment dedicated to tourism operations, which controls:
  - Center Parcs Resorts France SAS which groups together all Bois Francs, Hauts de Bruyères, Les Trois Forêts and Domaine du Bois aux Daims operating activities, and which itself controls:

  - Domaine du Lac de l'Ailette SNC, a subsidiary responsible for operating the Domaine du Lac de l'Ailette holiday village in France,
- PV Résidences & Resorts France SAS, which includes all the operating activities of the Maeva, Pierre & Vacances, Pierre & Vacances villages clubs and Pierre & Vacances premium villages and residences,
- PV-CP City SAS, which includes all the operating activities of the 31 city residences acquired from Lamy on 15 June 2011,
- Center Parcs Europe NV, a tourism holding company with a 100% stake in the Center Parcs Europe subgroup, which manages approximately 14,700 cottages in the Netherlands, Germany and Belgium. This company performs the shared services for the Center Parcs Europe subgroup, which are reinvoiced to its subsidiaries and the commercial activity in the Netherlands. Center Parcs Europe NV indirectly controls:
  - Center Parcs Netherlands NV a subsidiary which manages all the villages in the Netherlands (eight villages),
  - Center Parcs Germany Holding BV, which manages five villages in Germany through various subsidiaries,
  - CPSP België NV which, through various subsidiaries, markets and manages six villages in Belgium;

- Sociedad de Explotación Turística Pierre & Vacances España SL, which manages the Pierre & Vacances tourism operation in Spain.

PV-CP Immobilier Holding SAS (formerly CP Prog Holding), controls:

- PV Senioriales Promotion et Commercialisation, which promotes, constructs and markets residences for retired people;
- *Pierre & Vacances Conseil Immobilier (PVCI),* which sells to individual investors new or renovated apartments and homes developed and managed by the Pierre & Vacances-Center Parcs Group. It is also responsible, for the owners that require it, for selling these apartments and thus provides the investors with liquidity from their investment. PVCI bills the construction-sales companies for the marketing fees;
- *Pierre & Vacances Développement SA (PVD),* which carries out the real estate prospecting and the delegated project management. PVD invoices project management fees to the construction-sales companies;
- construction-sales companies.

The property development operations are in fact housed in dedicated construction-sales SNCs in order to simplify management and set-up of financing. Some property development operations can be carried out jointly with other parties. In such cases, Pierre & Vacances allows other developers to invest in these construction-sale companies.

The aim of PV-CP Immobilier Holding SAS is to wind up these companies and provide the ten-year warranty.

Different types of internal reinvoicing transactions are carried out between the entities of the tourism business segment and those of the property development business segment. These transactions are carried out under normal market conditions.

The construction-sales companies receive rents from the tourism business segment for the apartments that are not yet sold to investors but are operated by tourism entities. Conversely, for renovation operations, the property development companies that carry out the work indemnify the tourism operating companies for the costs incurred during the period of closure for the renovation work. Finally, the construction-sales companies sometimes pay the rent on apartments sold to investors before the site is opened to the public.

Furthermore, when, as part of the sale of properties to outside investors, the rent commitments given by the tourism operating companies are higher than market rents at the time of the sale, the excess rent, called "support funds", is recognised in the financial statements as a reduction to the selling price of the property. Therefore, this excess property margin is reallocated over the period of the lease to income from tourism activities.

Finally, the tourism operating companies help to manage certain property development programmes by participating in the design of the product, setting up the lease, delivering and accepting the site and putting it into operation. They also contribute to the marketing of certain property development programmes by actively helping with the selling work performed by their teams on the sites. For doing this work, they invoice project management and marketing fees to the property development companies concerned.

Summary of parent-child companies – Financial year 2013/2014

(in € thousands)	Tourism business	Property development	Other (including corporate departments)	P&V SA (listed company)	Total Group
Non-current assets (including goodwill)	544,197	34,958	31,414	4,183	614,752
Gross financial debt (excluding derivative financial instruments – liabilities)	110,411	16,014	0	155,593	282,018
Cash and cash equivalents recognised on statement of financial position	29,053	14,616	-35,145	111	8,635
Dividends paid to PV SA for the financial year	0	49,623	5,462	0	55,085

INFORMATION ABOUT THE SHARE CAPITAL

SHARE CAPITAL

At 31 December 2014, the share capital stood at €88,215,510 divided into 8,821,551 ordinary shares with a par value of €10 each, all of the same class and fully paid up.

The shares are in nominee or bearer form at the shareholder's discretion.

The Company keeps itself informed of the ownership of its shares under the conditions provided by law.

The shares are freely transferable, unless otherwise stipulated by law or regulations.

The transfer of the shares, whether free of charge or for a consideration and whatever their form, is done by transfer between accounts in accordance with the procedure laid down by law.

Double voting rights are attributed to shares held in nominee form for more than two years. At 31 December 2014, with double voting rights being granted on 4,036,462 shares, the total number of voting rights stood at 12,858,013 for 8,821,551 shares.

POTENTIAL CAPITAL

The potential capital of Pierre et Vacances if all options were exercised and if all the OCÉANE and ORNANE convertible bonds were converted into new shares would be €120,328,230 corresponding to 12,032,823 shares:

8,821,551 existing shares at 31/12/2014

+ 52,666 OCÉANE convertible bonds (maturing on 01/10/2015)

+ 1,000 share subscription options at 31/12/2014

+ 3,157,606 ORNANE convertible bonds (maturing on 01/10/2019)

= 12,032,823 potential shares at 31/12/2014

TABLE SUMMARISING CURRENTLY VALID DELEGATIONS OF AUTHORITY GRANTED TO THE BOARD OF DIRECTORS CONCERNING CAPITAL INCREASES

The Shareholders' Extraordinary Meetings of 6 March 2012 and 13 March 2014 granted the Board of Directors certain delegations authorising them to increase the issued capital, with the option to sub-delegate under the conditions provided by law.

A list of the resolutions adopted during the Shareholders' Extraordinary Meeting and authorising the Board of Directors to increase the share capital is given below.

The table below lists the resolutions adopted during the Shareholders' Extraordinary Meeting of 6 March 2012 that no longer apply, some of which were used by the Board of Directors during financial year 2013/2014.

Shareholders' Extraordinary Meeting of 6 March 2012

Resolution No.	Purpose	Term	2013/2014 use
9	Authorisation to issue shares and/or securities giving immediate or eventual access to the Company's capital with maintenance of the preferential subscription rights and up to the par value of €44,000,000.	26 months	Not used
10	Authorisation to issue shares and/or securities giving immediate or eventual access to the Company's capital with cancellation of preferential subscription rights and up to the par value of €44,000,000, this amount being applied to the general ceiling set by the 9th resolution.	26 months	Used Issuance of 3,157,606 ORNANE convertible bonds
11	Authorisation to increase capital, with cancellation of preferential subscription rights through private investment, and up to the par value of €44,000,000, this amount being applied to the general ceiling set by the 9th and 10th resolutions.	26 months	Not used
12	Authorisation to increase the number of shares to be issued upon an increase in capital with or without cancellation of preferential subscription rights, up to 15% of the initial issue, subject to the ceilings set out in the 9th, 10th and 11th resolutions.	26 months	Used Issuance of 3,157,606 ORNANE convertible bonds
13	Authorisation to set the issue price of shares to be issued within the framework of the 10th and 11th resolutions, with cancellation of preferential subscription rights, up to 10% of the capital per year.	26 months	Not used
14	Authorisation to make capital increases reserved for members of the Group Share Ownership Plan and up to the par value of €850,000.	26 months	Not used

The tables below list currently valid resolutions authorising the Board of Directors to make capital increases.

Shareholders' Extraordinary Meeting of 6 March 2012

Resolution No.	Purpose	Term	Uses 2013/2014
15	Authorisation to issue shares in the Company with cancellation of the preferential subscription rights in order to grant options to subscribe for shares to executive and non executive corporate officers and/or certain members of the salaried personnel of the Company or of companies or groups affiliated thereto(1).	38 months	Not used

(1) Opening of share option plan: options giving entitlement to subscribe for new Company shares or to purchase existing Company shares originating from purchases made by it. The total number of options granted by virtue of this authorisation may not give entitlement to subscribe for or purchase more than 250,000 shares.

Shareholders' Extraordinary Meeting of 13 March 2014

Resolution No.	Purpose	Term	2013/2014 use
10	Authorisation to issue shares and/or securities giving immediate or eventual access to the Company's capital and/or securities giving right to the allotment of debt securities with maintenance of the preferential subscription rights and up to the par value of €44,000,000.	26 months	Not used
11	Authorisation to issue shares and/or securities giving immediate or eventual access to the Company's capital and/or securities giving right to the allotment of debt securities with cancellation of preferential subscription rights and up to the par value of €44,000,000, this amount being applied to the general ceiling set by the 10th resolution.	26 months	Not used
12	Authorisation to issue shares and/or securities giving immediate or eventual access to the Company's capital and/or securities giving right to the allotment of debt securities with cancellation of preferential subscription rights through private placement and up to the par value of €44,000,000, this amount being applied to the general ceiling set by the 10th and 11th resolutions.	26 months	Not used
13	Authorisation to increase the amount of issues made with or without cancellation of preferential subscription rights, up to 15% of the initial issue, subject to the ceilings set out in the 10th, 11th and 12th resolutions.	26 months	Not used
14	Authorisation to set the issue price of shares to be issued within the framework of the 11th and 12th resolutions, with cancellation of preferential subscription rights, up to 10% of the capital per year.	26 months	Not used
15	Authorisation to make capital increases reserved for members of the Group Share Ownership Plan and up to the par value of €850,000.	26 months	Not used
16	Authorisation to issue ordinary shares in the Company in order to grant them free of charge to executive and non-executive corporate officers and/or certain members of the salaried personnel of the Company or of companies or groups affiliated thereto, up to 2% of the issued capital(2).	38 months	Not used

(2) The performance shares granted by the Board of Directors under this authorisation are existing Company shares originating from purchases made by it.

REPORT ON TREASURY SHARES

Within the framework of the treasury share buy-back programme authorised by the Shareholders' Ordinary Meeting of 13 March 2014, in the period from 13 March 2014 to 30 September 2014, the Company acquired 53,517 shares as part of the AMAFI liquidity agreement at an average price of €30.86.

Furthermore, during this same period, 47,654 shares were sold at an average price of €30.90 as part of the AMAFI agreement.

Using the authorisations granted by the Shareholders' Ordinary Meetings of 11 March 2004 and 10 March 2005, on 26 September 2005, the Board of Directors instituted a Pierre et Vacances share purchase option plan involving 28,000 shares for the benefit of Group managers with a high level of responsibility. Under this plan, options were granted to eight beneficiaries for the purchase of 28,000 treasury shares at €59.89 each. The option price at grant date reflects the average Pierre et Vacances SA share price during the 20 trading sessions preceding the launch of the plan, less a 5% discount. To date, options are outstanding and 2,000 options were lapsed.

Using the authorisations granted by the Shareholders' Ordinary Meeting of 2 March 2006, on 21 July 2006, the Board of Directors instituted a Pierre & Vacances share purchase option plan involving 16,500 shares for the benefit of Group managers with a high level of responsibility. Under this plan, options were granted to 20 beneficiaries for the purchase of 16,500 treasury shares at €80.12 each. The option price at grant date reflects the average Pierre et Vacances SA share price during the 20 trading sessions preceding the launch of the plan, less a 5% discount. To date, 11,500 options are outstanding and 5,000 options were lapsed.

Using the authorisations granted by the Shareholders' Ordinary Meeting of 2 March 2006, on 9 January 2007, the Board of Directors instituted a Pierre et Vacances share purchase option plan involving 46,875 shares for the benefit of Group managers with a high level of responsibility. Under this plan, options were granted to 19 beneficiaries for the purchase of 46,875 treasury shares at €87.40 each. The option price at grant date reflects the average Pierre et Vacances SA share price during the 20 trading sessions preceding the launch of the plan, less a 5% discount. To date, 46,875 options are outstanding.

Using the authorisations granted by the Shareholders' Ordinary Meeting of 2 March 2006, on 7 January 2008, the Board of Directors instituted a Pierre et Vacances share purchase option plan involving 38,375 shares for the benefit of Group managers with a high level of responsibility. Under this plan, options were granted to ten beneficiaries for the purchase of 38,375 treasury shares at €86.10 each. The option price at grant date reflects the average Pierre et Vacances SA share price during the 20 trading sessions preceding the launch of the plan, less a 5% discount. To date, 38,375 options are outstanding.

Using the authorisations granted by the Shareholders' Ordinary Meeting of 14 February 2008, on 12 January 2009, the Board of Directors instituted a Pierre et Vacances share purchase option plan involving 5,000 shares for the benefit of a Group manager with a high level of responsibility. Under this plan, options were granted to a beneficiary for the purchase of 5,000 treasury shares at €39.35 each. The option price at grant date reflects the average Pierre et Vacances SA share price during the 20 trading sessions preceding the launch of the plan. To date, 5,000 options are outstanding.

Using the authorisations granted by the Shareholders' Ordinary Meeting of 3 March 2011, on 3 March 2011, the Board of Directors instituted a Pierre et Vacances share purchase option plan involving 222,500 shares for the benefit of 41 Group managers with a high level of responsibility. Under this plan, options were granted to 41 beneficiaries for the purchase of 222,500 treasury shares at €63.93 each. The option price at grant date reflects the average Pierre et Vacances SA share price during the 20 trading sessions preceding the launch of the plan. To date, 144,500 options are outstanding and 78,000 options have lapsed.

Using the authorisations granted by the Shareholders' Ordinary Meeting of 6 March 2012, on 28 May 2013, the Board of Directors introduced a Pierre & Vacances bonus share plan which involved granting a maximum of 229,768 shares to 50 top executives within the Group, the bonus share grant being subject to performance requirements and not being made final until the end of a vesting period expiring on 31 December 2015, said shares originating from buybacks made by the Company. To date, 196,546 bonus shares have been granted to 48 beneficiaries under this plan.

Using the authorisations granted by the Shareholders' Ordinary Meeting of 6 March 2012, on 3 September 2013, the Board of Directors introduced a Pierre & Vacances bonus share plan which involved granting a maximum of 13,333 shares to 2 top executives within the Group, the bonus share grant being subject to performance requirements and not being made final until the end of a vesting period expiring on 31 December 2015, said shares originating from buybacks made by the Company.

Using the authorisations granted by the Shareholders' Ordinary Meeting of 6 March 2012, on 2 December 2013, the Board of Directors introduced a Pierre & Vacances bonus share plan which involved granting a maximum of 15,555 shares to 4 top executives within the Group, the bonus share grant being subject to performance requirements and not being made final until the end of a vesting period expiring on 31 December 2015, said shares originating from buybacks made by the Company.

Using the authorisations granted by the Shareholders' Ordinary Meeting of 13 March 2014, on 26 May 2014, the Board of Directors introduced a Pierre & Vacances bonus share plan which involved granting a maximum of 20,889 shares to 3 top executives within the Group, the bonus share grant being subject to performance requirements and not being made final until the end of a vesting period expiring on 31 December 2016, said shares originating from buybacks made by the Company.

At 30 September 2014, the Company held 376,594 treasury shares, of which 8,611 were part of the liquidity agreement and 367,983 were held under the buy-back programme.

The 367,983 shares held under the buy-back programme are reserved for the plans listed above.

The Company has asked Natixis to implement a liquidity agreement according to the Code of Ethics established by the *Association Française des Marchés Financiers* (the French Financial Markets Professional Association, or AMAFI) and approved by the *Autorité des Marchés Financiers* (the French Financial Markets Authority, or AMF).

Since the authorisation given by the Shareholders' Ordinary Meeting of 13 March 2014 authorising a share buyback programme expires on 13 September 2015, a new authorisation will be submitted for approval to the Shareholders' Ordinary Meeting called to approve the financial statements for the year ended 30 September 2014.

CHANGES IN SHARE CAPITAL OVER THE LAST FIVE FINANCIAL YEARS

Date	Transaction	Par value *(in €)*	Issued capital *(in €)*	Additional paid-in capital *(in €)*	Total issued capital *(in €)*	Total number of shares
05/2010	Capital increase following the exercise of share subscription options on 03/02/2010, 12/03/2010 and 15/03/2010	10	19,750	73,075	88,215,510	8,821,551

CHANGES IN SHARE CAPITAL AND VOTING RIGHTS OVER THE LAST THREE FINANCIAL YEARS

	At 30/09/2012			At 30/09/2013			At 30/09/2014		
Shareholders	Number of shares	% capital	% voting rights	Number of shares	% capital	% voting rights	**Number of shares**	**% capital**	**% voting rights**
S.I.T.I.	3,903,548	44.25	61.09	3,903,548	44.25	60.87	3,903,548	44.25	60.71
Directors	7,241	0.08	0.08	7,291	0.08	0.12	3,963	0.04	0.07
Treasury share	349,584	3.96	2.73	373,461	4.23	2.91	376,594	4.27	2.92
General public	4,561,178	51.70	36.10	4,537,251	51.44	36.10	4,537,446	51.44	36.30
of which employees	*78,046*	*0.88*	*0.95*	*88,863*	*1.01*	*1.38*	*48,159*	*0.54*	*0.78*
TOTAL	**8,821,551**	**100**	**100**	**8,821,551**	**100**	**100**	**8,821,551**	**100**	**100**

Article 222-12 of the General Regulations of the AMF states that, to calculate shareholding thresholds, the total number of voting rights is determined on the basis of all of the shares to which voting rights are attached, including shares stripped of voting rights.

NOTICE OF THE BREACHING OF SHAREHOLDING THRESHOLDS

None.

SHAREHOLDERS' AGREEMENTS

None.

GROUP SHARE OWNERSHIP PLAN

The Group Share Ownership Plan, set up with the payment of the employees' profit-sharing entitlement for 1997/1998, received voluntary payments from employees and the Company's matching contributions to subscribe for Pierre et Vacances shares in connection with the initial public offering and capital increase of March 2002. It also receives voluntary payments from employees.

Within this Group Share Ownership Plan, the mutual fund consisting exclusively of Pierre et Vacances shares represented 0.27% of the capital at 30 September 2014 (23,600 shares).

EMPLOYEE PROFIT-SHARING

A special Group employee profit-sharing agreement, covering the majority-controlled French entities, distributes the Group's special profit-sharing reserve (equalling the total special profit-sharing reserves calculated in each company) between all Group employees having an employment contract for more than three months with a participating entity. There was no special profit-sharing reserve for the Group profit-sharing agreement set aside at 30 September 2014.

Amounts paid for Group profit-sharing in previous financial years:

2012/2013	€14,293
2011/2012	€271,786
2010/2011	€474,700
2009/2010	/

POLICY OF DIVIDEND PAYMENTS OVER THE LAST FIVE FINANCIAL YEARS TIME LIMIT FOR DIVIDEND CLAIMS

Over the last five financial years, Pierre et Vacances SA has made the following dividend payments:

Financial year for which the dividend was paid	Number of shares(1)	Par value *(in €)*	Net dividend *(in €)*
2008/2009	8,696,887	10	1.50
2009/2010	8,749,035	10	0.70
2010/2011	8,517,904	10	0.70
2011/2012	8,453,568	10	/
2012/2013	8,448,844	10	/

(1) Number of shares eligible for dividends for the year.

The dividend policy is based on the Group's profit (loss) from ordinary activities, financial position and projected financial needs. Thus, no guarantee can be given as to the amount of dividend payments for a given financial year. Unclaimed dividends are forfeited to the French government five years after they become payable.

Given the Group's 2014 results, the non-payment of a dividend will be proposed to the Shareholders' Ordinary Meeting of 5 March 2015.

Financial instrument pledges granted involving Pierre et Vacances SA shares

Name of shareholder recorded on the purely nominee account	Beneficiary	Start date	Maturity date	Number of shares pledged
SA S.I.T.I.	NEUFLIZE OBC	22 March 2011	30 April 2016	900,000 or 10.20% of the issuer's share capital

OWNERSHIP OF SHARE CAPITAL AND VOTING RIGHTS

At 31 December 2014, the estimated shareholder structure of Pierre & Vacances is as follows:

	Number of shares	% of issued capital	Value of profit-sharing at 31 December 2014 *(in € thousands)*	Number of voting rights	% of voting rights
S.I.T.I.(1)	3,903,548	44.25	87,322	7,807,096	60.72
Directors	3,913	0.04	87	7,816	0.06
Treasury shares	372,130	4.22	8,325	372,130	2.89
of which shares acquired as part of the buy-back programme	*367,983*		*8,232*		
of which shares acquired as part of the liquidity agreement	*4,147*		*93*		
General public(2)	4,541,960	51.49	101,604	4,670,971	36.33
TOTAL	**8,821,551**	**100**	**197,338**	**12,858,013**	**100**

(1) S.I.T.I. SA is 72.43% directly owned by SCI S.I.T.I. "R", the latter being 90% owned by Gérard Brémond.
(2) Including employees (46,759 shares or 0.53% of issued capital) and Financière de l'Échiquier (656,300 shares according to the identification of the holders of bearer shares at 30 September 2014, or 7.44% of the share capital).

The Company has taken a number of measures to prevent the control exerted by S.I.T.I. SA from being abusive (see the Chairman's report on the organisation of the Board of Directors and internal control procedures, which is included in the annual financial report).

To the Company's knowledge, no other shareholder owns more than 5% of the share capital or voting rights (other than those listed above).

In accordance with Article L. 223-13 of the French Commercial Code and given the disclosures and notifications received in accordance with Articles L. 233-7 and L. 233-12 of said Code, it is stated that:

- S.I.T.I. SA directly holds more than a third of the share capital and more than half of the voting rights at Shareholders' Ordinary Meetings;
- SCI S.I.T.I. "R" indirectly holds more than a third of the share capital and more than half of the voting rights at Shareholders' Ordinary Meetings.

STOCK MARKET SHARE PRICES AND TRADING VOLUMES

Share

As at 31 December 2014, Pierre & Vacances shares are listed on the Eurolist of Euronext Paris (Compartment B) and are included in the CAC All-Tradable, CAC Mid & Small 190, CAC Travel & Leisure and CAC Small 90 indexes.

Share trading over the last 18 months:

Period	Number of shares exchanged	Issued capital *(in € millions)*	Adjusted highs and lows	
			Highest	Lowest
July 2013	259,086	4.16	17.81	14.28
August 2013	107,837	1.81	17.51	16.00
September 2013	192,411	3.32	18.68	15.86
October 2013	240,360	4.53	20.85	16.84
November 2013	258,164	5.51	23.70	19.00
December 2013	423,727	11.57	31.80	22.82
January 2014	306,538	9.15	31.99	27.73
February 2014	206,824	6.50	35.00	27.81
March 2014	183,831	5.92	34.50	29.95
April 2014	140,537	4.24	32.61	27.80
May 2014	215,502	7.03	35.60	29.65
June 2014	133,339	4.68	37.46	32.70
July 2014	134,724	4.14	33.77	27.75
August 2014	121,284	3.39	30.9	24.95
September 2014	108,701	3.00	30.86	24.30
October 2014	282,478	6.21	24.98	19.02
November 2014	137,468	2.87	23.00	18.75
December 2014	188,481	4.46	26.94	20.38

(Source: Euronext).

Convertible bonds

OCÉANE

On 25 January 2011, the Company issued bonds convertible into new shares or exchangeable for existing shares (OCÉANE), maturing on 1 October 2015. These bonds were admitted for trading on Euronext Paris on 2 February 2011.

On 7 March 2014, the Company repurchased 1,454,344 OCÉANE convertible bonds off-market as part of a redemption procedure.

Share trading over the last 18 months:

Period	Price	
	Highest	Lowest
July 2013	78.16	77.17
August 2013	78.26	77.54
September 2013	78.87	77.74
October 2013	78.95	75.32
November 2013	78.49	75.93
December 2013	77.77	76.10
January 2014	78.38	77.00
February 2014	79.95	77.29
March 2014	79.94	78.28
April 2014	80.04	78.54
May 2014	80.06	77.78
June 2014	78.74	77.97
July 2014	78.98	78.13
August 2014	79.45	78.45
September 2014	79.37	78.61
October 2014	76.43	75.98
November 2014	76.58	76.07
December 2014	76.79	76.20

(Source: Euronext).

ORNANE

In February 2014, the Company issued bonds redeemable in cash and new or existing shares (ORNANE), maturing on 1 October 2019. These bonds were admitted for trading on Euronext Paris on 12 February 2014.

ORNANE bond trading over the last 11 months:

Period	Price	
	Highest	Lowest
February 2014	39.53	36.79
March 2014	39.43	37.02
April 2014	38.97	36.63
May 2014	41.28	37.65
June 2014	41.91	39.00
July 2014	39.76	36.98
August 2014	38.93	35.91
September 2014	38.94	34.98
October 2014	35.94	33.38
November 2014	36.29	34.98
December 2014	37.24	35.34

(Source: Euronext).

BOARD OF DIRECTORS' REPORT TO THE SHAREHOLDERS' ORDINARY MEETING

COMMENTS ON THE PARENT COMPANY FINANCIAL STATEMENTS

PREAMBLE

Pierre et Vacances SA, the Group holding company, owns:

- interests in all the subholdings;
- the lease and the fittings at the administrative premises of the registered office situated in the 19th district of Paris (Espace Pont de Flandre).

At 30 September 2014, there were two types of agreements binding Pierre et Vacances SA and its subsidiaries:

- an agreement on the reinvoicing of head office expenses (rental expenses, amortisation of fittings and furniture);
- sub-leases within the framework of reinvoicing for rent.

SIGNIFICANT EVENTS

In February 2014, the Pierre & Vacances-Center Parcs Group:

- renewed and extended its syndicated loan with the banking partners for an amount of €185 million due in 2019 (compared with €130 million due in 2015);
- issued ORNANE bonds[17] for €115 million maturing on 1 October 2019 and repurchased 96.5% (or €116.4 million) of the number of OCÉANE bonds outstanding[18] originally issued in February 2011.

The new financing arrangements, maturing in 2019, have extended the average maturity of the debt and strengthened the Group's financial flexibility.

CHANGES IN THE BUSINESS

Revenue in financial year 2013/2014 was €12.7 million. It mainly consisted of:

- €6.4 million for services rendered and reinvoiced to subsidiaries for the development of their businesses;
- €6.3 million from reinvoicing subsidiary entities for their share of rent expenses for the occupation of premises at the Group's registered office at Artois, in the 19th district of Paris.

Operating loss for the financial year 2013/2014 was €49,000 (compared with a €3.3 million loss in 2012/2013). This loss was the result of costs inherent in the Group's holding activity. The decrease in operating loss primarily stems from €4 million in services invoiced to the real property development subsidiary SNC Presqu'île de la Touques Loisirs with respect to its search for an investor partner and the structuring of related financing.

Net financial income amounted to €25.6 million compared with a net financial expense of €98.1 million the previous year. It consisted primarily of the following:

- dividend income of €55.1 million from subsidiaries, including €49.3 million from PV-CP Immobilier Holding SAS and €5.5 million from Pierre & Vacances Marques, a subsidiary owning the Group's brands (mainly Pierre & Vacances, Maeva and Multivacances) and all of the related intangible assets, excluding Les Senioriales and those operated by the Center Parcs sub-group;
- interest income of €6.4 million on current accounts, including €5.2 million on the current account held by Pierre & Vacances FI SNC, a subsidiary responsible for the Group's central cash management;
- income of €2.5 million relating to a change in the provision for treasury share impairment losses;

(17) Bonds redeemable in cash and/or new and/or existing shares (ORNANE).
(18) Bonds convertible into new and/or existing shares.

- income of €2.5 million relating to a reversal of the provision for impairment losses on the current account held by Pierre et Vacances FI SNC;
- an additional amount of €29.7 million primarily due to a €29.5 million increase in the provisions for impairment losses on Pierre & Vacances Tourisme Europe shares;
- interest expense on bank loans of €4,091,000, including €1,383,000 related to the syndicated loan, €2,547,000 related to ORNANE bonds convertible into shares, which were subscribed for during the year, and €161,000 related to outstanding OCÉANE bonds;
- interest expense on other borrowings of €1,356,000, including €1,318,000 due to Pierre & Vacances FI SNC;
- interest expense and commissions on bank loans of €4,016,000,
- interest expense and commissions on short-term financing of €1,045,000.
- fees and commissions and expenses on sureties and interest rate swaps of €653,000.

Net financial expense for 2012/2013, which came to €98.1 million, mainly comprised:

- dividend income of €4.4 million from subsidiaries, including €4.3 million from Pierre & Vacances Marques, a subsidiary owning the Group's brands (mainly Pierre & Vacances, Maeva and Multivacances) and all of the related intangible assets, excluding Les Senioriales and those operated by the Center Parcs sub-group;
- interest income of €5.3 million on current accounts, including €4.5 million on the current account held by Pierre & Vacances FI, a subsidiary responsible for the Group's central cash management;
- income of €3.8 million relating to a change in the provisions for treasury share impairment losses;
- financial expenses of €112.8 million, including, in particular:
  - €98.7 million in financial provisions, including €74.0 million for Pierre et Vacances Tourisme Europe shares and €23.6 million for Pierre et Vacances FI current account depreciation,
  - interest on bank loans of €5.8 million, including €4.6 million related to bonds convertible into shares, issued in 2010/2011,
  - €4.2 million interest expense on the Group's other borrowings, including €3.0 million in respect of Center Parcs Europe NV and €1.2 million in respect of Pierre et Vacances-Center Parcs Finances SAS,
  - €3.7 million in commission, interest and expenses.

Non-recurring losses totalled €5.3 million, compared with non-recurring losses of €26.0 million the previous year. They mainly comprise €5.4 million in costs related to the redemption in February 2014 of 96.5% (or €116.4 million) of the number of OCÉANE bonds originally issued in February 2011.

The non-recurring profit (loss) for 2012/2013 primarily included:

- a €19.5 million provision for impairment of goodwill at Pierre et Vacances/Maeva tourism businesses;
- a loss of €3.9 million on the exchange of shares relating to the merger of Pierre et Vacances Immobilier Holding SE to the benefit of PV-CP Immobilier Holding SAS as part of the simplification of the property development business segment's legal structure;
- an expense of €2.6 million related to charges and fees paid in the context of Group restructuring activities.

In its capacity as parent company, Pierre et Vacances SA records any tax resulting from the tax consolidation of the Group in its financial statements. Income tax recognised came to €10.0 million (compared with €13.8 million the previous year).

Income from tax consolidation stood at €9.8 million, plus a family tax credit of €0.2 million.

As a result, the **profit** for the year stood at €30.3 million compared with a loss of €113.5 million the previous year.

CHANGES IN FINANCIAL POSITION

Total assets amounted to €1,028 million at 30 September 2014 compared with €998 million at 30 September 2013, a rise of €30 million. During the financial year, there were no particular transactions strongly impacting the financial position.

The net carrying amount of investments in associates and other long term equity investments at 30 September 2014 was €449 million and consisted of the following main investments (in € millions):

Pierre & Vacances Tourisme Europe	318.6
PV-CP Immobilier Holding	64.9
Pierre & Vacances Marques	60.7
PV Morocco	2.7
Villages Nature de Val d'Europe	1.2

In 2013/2014, Pierre et Vacances SA equity grew by €30.3 million to €603.5 million at 30 September 2014. This change is detailed below (in € millions):

Profit (loss) for the year	30.3

Share capital at 30 September 2014 was €88,215,510 and was divided into 8,821,551 fully paid-up ordinary shares with a par value of €10 each.

Provisions for risks and charges at 30 September 2014 amounted to €3.8 million. They were broken down as follows (in € millions):

Provisions for financial risks relating to subsidiaries	3.8

In February 2014, Pierre et Vacances SA carried out the following debt restructuring transactions:

- renewed and extended its syndicated loan with the banking partners for an amount of €185 million due in 2019 (compared with €130 million due in 2015);
- on 4 February 2014, issued an ORNANE-type bond with a principal amount of €115,000,000 and maturing on 1 October 2019. Bonds redeemable in cash and new or existing shares (ORNANE) are convertible at any time by delivery of a new or existing share. They also give the issuer the option to make a full or partial payment in cash when delivering the share;
- redeemed 1,454,344 OCÉANE bonds, or 96.5% of all OCÉANE bonds outstanding at the time.

The new financing arrangements, maturing in 2019, have extended the average maturity of the debt and strengthened the Group's financial flexibility.

2

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Governance

On 20 October 2014 Gerard Bremond, the Group Chairman, took over the position of Chief Executive Officer, as the Win strategic plan became operational.

To continue the growth of the tourism business, Martine Balouka-Vallette was appointed Chief Executive Officer for Tourism – Pierre & Vacances and Center Parcs, resulting in the departure of Françoise Gri, who was previously Group CEO.

Martine Balouka-Vallette, who joined the Group in 2002, successfully led the Tourism business segment of Pierre & Vacances and Maeva for seven years. She then orchestrated the Group's entry in the Moroccan market. Since 2012, she has been Chief Executive Officer of Adagio which under her leadership has expanded rapidly, especially internationally, and significantly increased its performance.

Martine Balouka-Vallette is on the Group's Executive Management Committee and the Board of Directors of Pierre et Vacances SA.

Gérard Brémond will be supported by the Group Executive Committee consisting of the two Deputy Chief Executive Officers of the Group, Patricia Damerval and Thierry Hellin, and by Martine Balouka-Vallette.

OUTLOOK

In 2014/2015, Pierre et Vacances SA will continue to act as the Group holding company under conditions equivalent to those in the reporting year.

SUBSIDIARIES, ASSOCIATES AND OTHER LONG-TERM EQUITY INVESTMENTS

In addition to the information given in this document, we have described the activity of the subsidiaries and of the controlled entities in the Group management report and in the Registration document for the Pierre & Vacances-Center Parcs Group.

The activities of the main subsidiaries in 2013/2014 are presented below:

- Pierre & Vacances Tourisme Europe SA

Pierre et Vacances Tourisme Europe SA continued its activities as the sub-holding company for the tourism business segment.

For the year ended 30 September 2014, Pierre et Vacances Tourisme Europe SA recorded a loss of €4.4 million.

- Pierre & Vacances Marques SAS

The activity of this company consists of collecting royalties from the granting of rights to use its brands.

In 2013/2014, Pierre & Vacances Marques SAS renewed its annual licences awarded to the various Group companies that use its brands.

The Company's profit for this financial year amounted to €5.7 million.

- Pierre & Vacances FI SNC

In 2013/2014, Pierre & Vacances FI SNC continued its responsibilities for central cash management for the various Pierre & Vacances-Center Parcs Group entities.

Over this reporting period, SNC Pierre & Vacances FI SNC recorded profit of €1.2 million.

The following information is provided on these subsidiaries, associates and long-term equity investments:

Significant equity investments

During the year ended 30 September 2014, the Company made no equity investments.

Significant disposals of equity investments

During the year ended 30 September 2014, the Company disposed of the following investment:

Pierre et Vacances Investissement 45

On 5 September 2014, Pierre et Vacances sold 904 shares (a 100% equity interest) in Pierre et Vacances Investissement 45 (renamed PV Senioriales Gestion Immobilière) to PV Senioriales Promotion et Commercialisation for €1.

Significant investments and disposals of equity investments since the year-end

None.

REMUNERATION OF EXECUTIVES AND MEMBERS OF THE BOARD OF DIRECTORS

REMUNERATION OF EXECUTIVE AND NON-EXECUTIVE CORPORATE OFFICERS

Please note that the Company selected the AFEP-MEDEF Code, last revised in June 2013, as its benchmark code. Within the context of the "Comply or Explain" rule laid down in Article L. 225-37 of the French Commercial Code and referred to in Article 25.1 of the AFEP-MEDEF Code, the Company believes that its practices comply with the recommendations of said Code, with the exception of the points mentioned on page 210 of this Registration document.

For the financial years ending on 30 September 2014 and 30 September 2013, no wage (including benefits of any kind) was paid to a corporate officer directly by the companies which the Pierre & Vacances-Center Parcs Group controls, as defined in Article L. 233-16 of the French Commercial Code. However, *Société d'Investissement Touristique et Immobilier* (a company indirectly controlled by the Chairman, founder and majority shareholder of Pierre et Vacances SA) as an asset management company, invoiced for fees representing the cost of the services rendered by Gérard Brémond, Françoise Gri, Thierry Hellin and Patricia Damerval. The fees invoiced by S.I.T.I. were calculated on the basis of direct costs (remuneration paid + employer's contributions + other direct costs: travel, premises, secretarial costs) plus a 5% margin and calculated *pro rata* for the time spent by each individual on managing the business of Pierre & Vacances-Center Parcs Group companies.

For each of them, the variable bonus relates to the Group's financial performance (EBIT) (between 50% and 80% of the bonus) and the achievement of personal objectives. The criteria applied are predetermined and clearly defined but are not made public for confidentiality reasons.

The Group has not introduced a system of sign-on bonuses or termination benefits for its executive or non-executive corporate officers.

There are no additional pension schemes specific to executive and non-executive corporate officers. They receive, in accordance with their contract of employment with S.I.T.I., an end-of-service lump sum payment calculated on the basis of the rules applicable to all salaried employees.

Summary of remunerations of and options and shares granted to each executive corporate officer

(in €)	2013/2014	2012/2013
Gérard Brémond, Chairman of the Board of Directors		
Remuneration payable for the year	593,602	593,619
Value of options granted during the year	-	-
Value of performance-related shares granted during the year	-	-
TOTAL	**593,602**	**593,619**
Françoise Gri, Chief Executive Officer		
Remuneration payable for the year	504,582	642,791
Value of options granted during the year	-	-
Value of performance-related shares granted during the year	-	101,280(*)
TOTAL	**504,582**	**744,071**

(*) Françoise Gri lost this benefit on 20 October 2014.

At its meeting on 20 October 2014, the Board of Directors of Pierre et Vacances SA decided to merge the functions of Chairman and Chief Executive Officer.

Consequently, since 20 October 2014, the Chief Executive Officer function has been taken on by Gerard Brémond, Chairman and Chief Executive Officer.

The following table summarises the remunerations of each corporate officer

	Remuneration in 2013/2014		Remuneration in 2012/2013	
(in €)	payable for the year	paid during the year	payable for the year	paid during the year
Gérard Brémond, Chairman of the Board of Directors				
Fixed remuneration	500,000	500,000	500,000	500,000
Variable remuneration	90,000	45,000	90,000	45,000
Special remuneration	-	-	-	-
Attendance fees	-	-	-	-
Benefits in kind	3,602	3,602	3,619	3,619
TOTAL	**593,602**	**548,602**	**593,619**	**548,619**
Françoise Gri, Chief Executive Officer				
Fixed remuneration	500,000	500,000	375,000	375,000
Variable remuneration	-	265,500	265,500	-
Special remuneration	-	-	-	-
Attendance fees	-	-	-	-
Benefits in kind	4,582	4,582	2,291	2,291
TOTAL	**504,582**	**770,082**	**642,791**	**377,291**
Patricia Damerval, Deputy Chief Executive Officer				
Fixed remuneration	308,331	308,331	308,251	308,251
Variable remuneration	148,610	138,895	138,895	135,000
Special remuneration	50,000	50,000	-	-
Attendance fees	-	-	-	-
Benefits in kind	656	656	2,642	2,642
TOTAL	**507,597**	**497,882**	**449,788**	**445,893**
Thierry Hellin, Deputy Chief Executive Officer				
Fixed remuneration	308,331	308,331	308,347	308,347
Variable remuneration	138,600	135,895	135,895	117,425
Special remuneration	50,000	-	-	-
Attendance fees	-	-	-	-
Benefits in kind	6,513	6,513	7,120	7,120
TOTAL	**503,444**	**450,739**	**451,362**	**432,892**

Following her resignation as executive corporate officer of S.I.T.I. SA and Pierre et Vacances SA, a termination benefit in the amount of €300,000 (gross) was granted to Françoise Gri.

Summary of commitments given to executive corporate officers

Executive corporate officers	Employment contract	Supplementary retirement plan	Compensation or benefits due or liable to be due if positions are discontinued or changed	Compensation relating to a non-competition clause
Gérard Brémond Chairman of the Board of Directors	No	No	No	No
Françoise Gri Chief Executive Officer	No	No	No	No

Gérard Brémond has been a Director since 3 October 1988. He was Chairman and Chief Executive Officer from 3 October 1988 until 16 November 2009, then Chairman of the Board of Directors from 16 November 2009 until 30 August 2012, Chairman and Chief Executive Officer from 30 August 2012 to 2 January 2013, then Chairman of the Board of Directors from 2 January 2013 to 20 October 2014. He has been Chairman and Chief Executive Officer since 20 October 2014.

ATTENDANCE FEES AND OTHER REMUNERATION PAID TO NON-EXECUTIVE CORPORATE OFFICERS

Information in this table relates to non-executive corporate officers receiving only attendance fees or other special remuneration.

The Board of Directors establishes the rules for the allocation of attendance fees. These fees are paid based on the actual participation of the Director in the meetings of the Board and of the special committees, as applicable.

For 2013/2014, the rules for the allocation of attendance fees adopted by the Board of Directors at its meeting of 23 September 2014 are as follows:

- only those directors will be allocated attendance fees who are not employed by Pierre et Vacances SA or by any of the companies controlled by Pierre et Vacances SA as defined in Article L. 233-16 of the French Commercial Code or by S.I.T.I.;
- for financial year 2013/2014, each director satisfying the above criterion will receive a total amount of €30,000 as remuneration for activities performed in their capacity as members of the Board of Directors;
- the amount of €30,000 will be reduced prorata for the number of Board meetings they did not attend relative to the total number of meetings during the year;
- from the second meeting the director did not attend, a €5,000 reduction shall be applied per missed meeting;
- the members of the Audit Committee will be allocated a fee of €1,000 per meeting, with the Chairman of the Audit Committee also receiving a flat fee of €1,000 per year;
- the members of the Remuneration and Appointments Committee will be allocated a fee of €1,000 per meeting, with the Chairman of the Remuneration and Appointments Committee also receiving a flat fee of €1,000 per year;

As part of its adoption of the AFEP-MEDEF Corporate Governance Code for Listed Companies which provides that attendance fees must have a predominantly variable portion (Article 21.1 of the Code), Pierre et Vacances SA modified the allocation rules for attendance fees (in effect until financial year 2012/2013, the €5,000 reduction per missed meeting had applied from the third meeting the director did not attend).

(in €)	Attendance fees allocated for 2013/2014	Attendance fees paid for 2013/2014(*)	Attendance fees allocated for 2012/2013	Attendance fees paid for 2012/2013(*)
Olivier Brémond				
Attendance fees	20,000	14,000	30,000	22,500
Other remuneration	-	-	-	-
Ralf Corsten				
Attendance fees	34,000	23,800	34,000	25,500
Other remuneration	-	-	-	-
Marc R. Pasture				
Attendance fees	28,000	-	33,000	-
Other remuneration	-	-	-	-
Delphine Brémond				
Attendance fees	15,000	15,000	25,000	25,000
Other remuneration	-	-	-	-
Andries Arij Olijslager				
Attendance fees	28,000	19,600	33,000	24,750
Other remuneration	-	-	-	-
TOTAL	**125,000**	**72,400**	**155,000**	**97,750**

(*) After deduction, if applicable, of withholding tax paid directly by Pierre et Vacances SA to the French tax authorities.

LOANS AND GUARANTEES ISSUED BY PIERRE ET VACANCES SA

No loan or guarantee has been granted by Pierre et Vacances SA to the members of the Group Executive Management Committee or the Board of Directors.

SHARE OPTIONS AND BONUS SHARES

GRANT POLICY

The grant policy followed hitherto by the Group identifies:

- occasional grants to a large number of Group managers;
- more regular grants, in principle on an annual basis, to key Group employees;
- special grants to Group employees (managers and non-managers).

This policy is likely to change during future years due to the legislative and regulatory changes in the accounting treatment for share options.

The Company states that, having signed up to the AFEP-MEDEF Corporate Governance Code:

- all bonus share plans are subject to performance-related conditions (with the exception of two plans, see table on page 172 and 173);
- bonus shares are only granted to corporate officers if all performance-related conditions have been met;
- the Company has set up a system for linking employees' performance to the performance of the Company (introduction of a special profit-sharing agreement);
- share options were granted over the same calendar periods;
- share option plans are subject to presence and/or performance requirements;
- corporate officers have agreed not to use hedging facilities until their term of office expires;
- in accordance with Internal Regulations, corporate officers are required to respect closed periods covering (i) the 30 calendar days prior to the date on which the half-yearly and annual consolidated financial statements are published as well as their actual publication dates and (ii) the 15 calendar days prior to the date of publication of the quarterly revenues, as well as the their actual publication dates. The timetable for such closed periods is prepared on an annual basis.

SHARE OPTION PLANS

History of share subscription option plans

At 31 December 2014, 1,000 share subscription options were outstanding.

If all the options were exercised, 1,000 new shares would be issued, increasing the total number of shares to 8,822,551.

These new shares would represent an increase of €58,890 in equity.

The options outstanding represent 0.01% of the share capital after the increase.

	2003 option plan	2004 option plan	2005 option plan
Date of Shareholders' Ordinary Meeting	10/03/2003	11/03/2004	11/03/2004
Date of Board of Directors' Meeting	03/11/2003	07/09/2004	26/09/2005
Total number of shares that may be subscribed for at grant date	7,150	162,300	1,000
Number of shares that may be subscribed for by the ten employees granted the largest number of share options	7,150	51,000	1,000
Number of shares that may be subscribed for by current members of the Board of Directors (who are still members at 30/09/2014)	/	8,000	/
of which:			
Thierry Hellin		4,000	
Patricia Damerval		4,000	
Vesting date	04/11/2007	08/09/2008	27/09/2009
Subscription price(*)	€63.83	€66.09	€59.89
Expiry date	04/11/2013	08/09/2014	27/09/2015
Number of shares subscribed for	/	/	/
Total number of options lapsed	/	41,550	/
Total number of options outstanding at the end of the year	/	/	1,000

(*) The subscription price corresponds to the average share price quoted during the 20 trading sessions preceding the grant decision, less a 5% discount.

History of share purchase option plans

	2005 share purchase option plan	2006 share purchase option plan	2007 share purchase option plan	2008 share purchase option plan	2009 share purchase option plan	2011 share purchase option plan
Date of Shareholders' Ordinary Meeting	11/03/2004 and 10/03/2005	02/03/2006	02/03/2006	02/03/2006	14/02/2008	03/03/2011
Date of Board of Directors' Meeting	26/09/2005	21/07/2006	09/01/2007	07/01/2008	12/01/2009	03/03/2011
Total number of shares that may be purchased at grant date	28,000	16,500	46,875	38,375	5,000	222,500
Number of shares that may be purchased by the ten employees granted the largest number of share options	28,000	16,500	45,375	38,375	5,000	80,000
Number of shares that may be subscribed for by current members of the Board of Directors (who are still members at 30 September 2014)	8,000	/	8,000	8,000	/	70,000
Of which:						
Thierry Hellin	4,000		4,000	4,000		35,000
Patricia Damerval	4,000		4,000	4,000		35,000
Vesting date	27/09/2009	22/07/2010	10/01/2011	08/01/2012	13/01/2013	04/03/2015
Purchase price	€59.89(*)	€80.12(*)	€87.40(*)	€86.10(*)	€39.35(**)	€63.93(**)
Expiry date	27/09/2015	22/07/2016	10/01/2017	08/01/2018	13/01/2019	04/03/2021
Number of shares purchased	/	/	/	/	/	/
Total number of share purchase options lapsed or forfeited	2,000	5,000	/	/	/	78,000
Total number of options outstanding at the end of the year	26,000	11,500	46,875	38,375	5,000	144,500

(*) The purchase price corresponds to the average share price quoted during the 20 trading sessions preceding the grant decision, less a 5% discount.
(**) The purchase price corresponds to the average share price quoted during the 20 trading sessions preceding the grant decision without a discount.

Share options granted during the financial year to each corporate officer by the Company itself and by any Group company

None.

Share subscription or purchase options exercised during the financial year by each corporate officer

None.

Share options granted to the top ten employee beneficiaries who are not corporate officers and options exercised by the latter

None.

BONUS SHARES

History of bonus share plans

	2007 plan	2007 plan	2008 plan	2009 plan
Date of Shareholders' Ordinary Meeting	10/03/2005	10/03/2005	10/03/2005	14/02/2008
Date of Board of Directors' Meeting	09/01/2007	09/01/2007	07/01/2008	12/01/2009
Total number of beneficiaries	2,207	9	8	57
Total number of shares granted initially	11,035	16,010	13,010	84,135
Total number of shares granted to current members of the Board of Directors (who are still members at 30/09/2014)	10	3,000	3,000	10,000
Of which:				
Thierry Hellin	5	1,500	1,500	5,000
Patricia Damerval	5	1,500	1,500	5,000
Françoise Gri				
Starting date of the vesting period	09/01/2007	09/01/2007	07/01/2008	12/01/2009
Starting date of the lock-in period	10/01/2009	10/01/2009	08/01/2010	13/01/2011
Duration of the lock-in period	2 years	2 years	2 years	2 years
Grant conditions and criteria	Presence conditions	Presence and performance-related conditions	Presence and performance-related conditions	Presence and performance-related conditions(**)
Source of the shares to be granted	Shares to be issued	Treasury shares	Treasury shares	Treasury shares
Number of shares cancelled	2,370	/	/	40,727(*)
Number of shares vested	8,665	16,010	13,010	43,408
Potential dilution resulting from the vesting of shares	8,665			

(*) *At its meeting of 1 December 2009, the Board of Directors found that only some of the performance-related conditions had been met for the first half of the shares granted on 12 January 2009 and 12 February 2009.*
At its meeting of 18 January 2011, the Board of Directors found that none of the performance-related conditions had been met for the second half of the shares granted on 12 January 2009.
At its meeting of 14 February 2011, the Board of Directors found that none of the performance-related conditions had been met for the second half of the shares granted on 12 February 2009.

(**) *Performance-related conditions applying to the first half of the shares granted: the indicators are EBIT, cash flows from operations (excluding acquisitions), as well as external indexes (SBF 250, property values and tourism values).*
Performance-related conditions applying to the second half of the shares granted: the indicators are profit or loss attributable to owners of the Company, cash flows from operations (excluding acquisitions), and the external indexes listed above.

Bonus shares granted during financial year 2013/2014 to each corporate officer

None.

Bonus shares becoming available during financial year 2013/2014 for each corporate officer

None.

Bonus shares granted in 2013/2014 to the top ten employee beneficiaries who are not corporate officers (general information)

36,444.

2009 plan	2009 plan	2013 plan	2013 plan	2013 plan	2014 plan	2014 plan
12/02/2009	12/02/2009	06/03/2012	06/03/2012	06/03/2012	13/03/2014	13/03/2014
12/02/2009	12/02/2009	28/05/2013	03/09/2013	02/12/2013	26/05/2014	02/12/2014
2	1	50	2	4	3	1
3,325	6,575	229,768(***)	13,333(***)	15,555(***)	20,889(****)	2,222(****)
/	/	61,000	/	/	/	/
		15,000				
		15,000				
		31,000(*****)				
12/02/2009	12/02/2009	28/05/2013	03/09/2013	02/12/2013	26/05/2014	02/12/2014
13/02/2011	13/02/2011	01/01/2016	01/01/2016	01/01/2016	01/01/2017	01/01/2017
2 years	2 years	2 years	2 years	2 years	2 years	2 years
Presence and performance-related conditions(**)	Presence conditions	Presence and performance-related conditions	Presence and performance-related conditions	Presence and performance-related conditions	Presence and performance-related conditions	Presence and performance-related conditions
Treasury shares	Treasury shares	Treasury shares	Treasury shares	Treasury shares	Treasury shares	Treasury shares
2,685(*)	/	33,222	/	/	/	/
640	6,575	/	/	/	/	/
None, the bonus shares granted being existing shares						

(***) The number of shares to be vested under this plan is subject to a performance-related condition based on share price performance. The performance-related requirement at maturity will be calculated on the volume-weighted average Pierre & Vacances share price for all trading days in October, November and December 2015. The volumes appearing in this table are the maximum for 100% achievement of the performance-related condition.

(****) The number of shares to be vested under this plan is subject to a performance-related condition based on share price performance. The performance-related requirement at maturity will be calculated on the volume-weighted average Pierre & Vacances share price for all trading days in October, November and December 2016. The volumes appearing in this table are the maximum for 100% achievement of the performance-related condition.

(*****) Françoise Gri lost this benefit on 20 October 2014.

OTHER ITEMS

Summary of trading in the Company's shares

Summary of trading in the Company's shares referred to in Article L. 621-18-2 of the French Monetary and Financial Code(19) over the course of the last financial year:

Person involved	Nature of the transactions	Number of shares	Date of the transaction
Thierry Hellin	Disposal	3,328	07/2014

Other shares giving access to the capital

None.

(19) Trading in the Company's shares by the executives, related persons and their close relatives.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

INCOME STATEMENT

Items *(in € thousands)*	Notes	2013/2014	2012/2013
Sales of services		12,708	9,481
Net revenue		**12,708**	**9,481**
Reinvoiced expenses and reversals of write-offs and provisions	15	17,495	10,267
Other income		251	3
Operating profit (loss)		**30,454**	**19,751**
Other purchases and external expenses		26,279	20,168
Income and other taxes		661	737
Social security expenses		919	1,077
Depreciation and amortisation		2,233	758
Provisions for current assets		108	146
Other operating expenses		303	185
Operating expenses		**30,503**	**23,071**
OPERATING PROFIT (LOSS)	**12 & 15**	**-49**	**-3,320**
Financial income from associates and other long-term equity investments		55,085	4,446
Other interest income		6,416	6,225
Reinvoiced expenses and reversals of provisions	15	5,090	4,038
Net gain on disposals of marketable securities		77	38
Financial income		**66,668**	**14,747**
Amortisation and provisions on financial assets		29,703	98,660
Interest expense		11,249	13,877
Net (loss) on disposals of marketable securities		83	268
Financial expenses		**41,035**	**112,805**
NET FINANCIAL INCOME (EXPENSES)	**13 & 15**	**25,633**	**-98,058**
PROFIT (LOSS) FROM ORDINARY ACTIVITIES, BEFORE TAX		**25,584**	**-101,378**

Items *(in € thousands)*	Notes	2013/2014	2012/2013
Non-recurring income from management transactions		566	0
Non-recurring income from capital transactions		849	67,816
Reinvoiced expenses and reversals of provisions	15	311	373
Non-recurring income		**1,726**	**68,189**
Non-recurring expenses on management transactions		5,846	2,609
Non-recurring expenses on capital transactions		859	71,786
Non-recurring depreciation, amortisation and impairment		307	19,762
Non-recurring expenses		**7,012**	**94,157**
NON-RECURRING PROFIT (LOSS)	**14 & 15**	**-5,286**	**-25,968**
Income tax	16	-10,011	-13,856
TOTAL INCOME		**98,848**	**102,687**
TOTAL EXPENSES		**68,539**	**216,177**
PROFIT (LOSS)		**30,309**	**-113,490**

STATEMENT OF FINANCIAL POSITION

ASSETS

Items *(in € thousands)*	Notes	Gross Amount	Amort. & Prov.	Net 30/09/2014	Net 30/09/2013
Intangible assets	**1**	**20,836**	**20,064**	**772**	**358**
Property, plant and equipment	**1**				
Other non-current assets		7,344	6,968	376	527
Financial assets	**1, 2, 4**				
Other long-term equity investments		553,567	104,617	448,950	478,419
Loans and other financial assets		115		115	239
NON-CURRENT ASSETS		**581,862**	**131,649**	**450,213**	**479,543**
Advances and prepayments to suppliers		21		21	21
Trade receivables	4 & 5	6,326	298	6,028	6,150
Other receivables	3,4,5	572,010	21,412	550,598	499,551
Marketable securities	6	11,644		11,644	9,053
Cash and cash equivalents	6	160		160	241
Prepaid expenses	4 & 10	2,762		2,762	2,641
CURRENT ASSETS		**592,923**	**21,710**	**571,213**	**517,657**
Deferred expenses	11	6,757		6,757	992
GRAND TOTAL		**1,181,542**	**153,359**	**1,028,183**	**998,192**

LIABILITIES

Items *(in € thousands)*	Notes	30/09/2014	30/09/2013
Issued capital		88,215	88,215
Additional paid-in capital		8,691	8,691
Statutory reserve		8,822	8,822
Other reserves		2,308	2,308
Retained earnings		465,198	578,688
Profit (loss) for the year		**30,309**	**-113,490**
EQUITY	**7**	**603,543**	**573,234**
Provisions for risks			
Provisions for charges		3,775	3,531
PROVISIONS FOR RISKS AND CHARGES	**2**	**3,775**	**3,531**
Financial liabilities			
Outstanding bond issue	4	119,019	115,000
Amounts due to credit institutions	4	43,297	44,897
Sundry loans and other borrowings	4 & 8	243,078	241,211
Operating liabilities			
Trade payables	4 & 5	4,251	3,349
Tax and social security liabilities	4	74	381
Sundry liabilities			
Amounts due to suppliers of non-current assets	4	0	0
Other liabilities	4 & 9	11,146	16,587
Accruals			
Deferred income	4 & 10	0	2
TOTAL LIABILITIES		**420,865**	**421,427**
GRAND TOTAL		**1,028,183**	**998,192**

PROPOSED ALLOCATION OF PROFIT AND DISTRIBUTION OF DIVIDENDS FOR THE YEAR

Net of all expenses, taxes, depreciation and amortisation, the parent company financial statements show an accounting profit of €30,309,386.47.

It is proposed that this profit be allocated entirely to retained earnings.

Following this allocation of profit, equity will break down as follows:

◆ share capital (8,821,551 x €10)	€88,215,510.00
◆ issue premium	€8,635,020.43
◆ merger premium	€55,912.36
◆ legal reserve	€8,821,551.00
◆ other reserves	€2,308,431.46
◆ retained earnings	€495,507,875.31
Total	**€603,544,300.56**

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

Total assets before allocation reported in the statement of financial position at 30 September 2014 *(in €)*:	1,028,182,849.92
Loss for the year reported in the income statement *(in €)*:	30,309,386.47

The amounts presented in these notes are in € thousands.

The reporting period lasts for 12 months, from 1 October 2013 to 30 September 2014.

The parent company financial statements were approved on 2 December 2014.

SIGNIFICANT EVENTS IN THE YEAR

In February 2014, the Pierre & Vacances-Center Parcs Group:

- renewed and extended its syndicated loan with the banking partners for an amount of €185 million due in 2019 (compared with €130 million due in 2015);
- issued ORNANE bonds[20] for €115 million maturing on 1 October 2019 and repurchased 96.5% (or €116.4 million) of the number of OCÉANE bonds outstanding[21] originally issued in February 2011.

The new financing arrangements, maturing in 2019, have extended the average maturity of the debt and strengthened the Group's financial flexibility.

ACCOUNTING POLICIES

The annual financial statements are presented in accordance with the provisions of the 1999 French General Chart of Accounts *(Plan comptable général)* (Regulation 99-03 of 29 April 1999 of the French Accounting Regulations Committee, or *Comité de la Réglementation Comptable,* approved by the ministerial order of 22 June 1999).

Generally accepted accounting principles have been applied, including the principle of prudence, in accordance with the following basic assumptions:

- going concern;
- consistency of accounting methods from one financial year to the next;
- independence of financial years; and

  in accordance with professional standards.

The main measurement methods relate to the following:

- tangible and intangible fixed assets: property, plant and equipment and intangible assets are measured at their acquisition cost, at their contribution value or at their construction cost.

With the exception of goodwill, the other property, plant and equipment, and intangible asset items are depreciated or amortised using the straight-line method, over their economic lives established as follows:

General installations	10 years
Office furniture and equipment	3 to 10 years

The depreciation or amortisation thus calculated is included in operating profit or loss.

- Investments in associates and other long-term equity investments: shares are valued at their purchase price or at their contribution value.

  A provision for impairment losses is recognised if this value is greater than the value in use determined at the reporting date taking into account the proportion of equity, the potential profitability or, if applicable, the stock market prices.
- Loans and other financial assets: this item mainly includes subordinated loans granted to the EIG NPPV3 as part of transactions to securitise "Ownership & Holidays" receivables and accrued interest relating thereto.
- Trade receivables: a provision is made for risk of non-recovery of receivables when a debtor shows a risk of insolvency or disputes the basis of receivables or when payments are unusually delayed. The provisions are based on an individual assessment of this risk of non-recovery.
- Other receivables: these include, in particular, tax receivables, VAT, Group current accounts, sundry receivables and accrued income.
- Securitisation: under the "Ownership & Holidays" sales programme offered to investors in properties developed and marketed by Pierre et Vacances real estate subsidiaries, the buyers do not have to pay out the full purchase cost of the assets. Receivables linked

(20) Bonds redeemable in cash and/or new and/or existing shares (ORNANE).
(21) Bonds convertible into new and/or existing shares.

to prepaid rent commitments receive interest. They are repaid each year through rent paid by tourism operating companies. Pierre et Vacances regularly securitises these receivables arising from property sales under the "Ownership & Holidays" formula. These refinancing transactions involve transferring the receivables to a banking economic interest group (EIG) in return for payment of the securitisation proceeds.

A rental agreement covering these repayments is granted to Pierre et Vacances in connection with these property sales through its tourism operating subsidiaries. Thus, on a going concern assumption, the risk that the non-repayment of receivables securitised in the EIG actually falls on Pierre et Vacances is zero. Pierre et Vacances does not own any shares in the capital of the banking EIGs and is not involved in their management. Once receivables have been transferred to the banking EIG, Pierre et Vacances no longer receives any benefit in remuneration of the transferred receivables.

In legal terms, the transaction is a conventional subrogation in which the banking EIG is substituted for Pierre et Vacances in terms of its rights, actions and privileges, which means Pierre et Vacances can no longer show the receivables on its statement of financial position. Information on total securitised receivables is given in off-statement of financial position commitments.

The securitisation transaction can generate, on the date of transfer of the receivables, a profit linked to the differential between the rate of return on the receivables and the rate of refinancing of the EIG. This profit was previously recognised in the period in which securitisation was carried out. For securitisation transactions carried out from 1 October 1998 onward, it is now spread over the duration of the transactions.

- Marketable securities: marketable securities are recognised at their acquisition cost. They are subsequently measured at the lower of their acquisition cost and their market value.
- Pierre et Vacances treasury shares are reported:
  - as assets on the statement of financial position under "Marketable securities", when these shares are explicitly reserved, on acquisition, either to be granted to employees or to stimulate the market under the liquidity agreement; or
  - otherwise as long-term equity investments.
- Prepaid expenses and deferred income: this item principally comprises operating income and expenses.
- Deferred expenses: such expenses correspond to debt issuance costs.
- Inclusion of subsidiary profit (loss): in accordance with statutory provisions, profit or loss of subsidiaries in the form of a partnership exempt from corporate income tax are included in the same year.

ADDITIONAL INFORMATION ON THE STATEMENT OF FINANCIAL POSITION AND INCOME STATEMENT

NOTE 1 Non-current assets

Tangible and intangible assets	30/09/2013	Acquisitions	Disposals and retirements	30/09/2014
Intangible assets				
Brand names, concessions, patents	96	1,215		1,311
Goodwill	19,470	-	-	19,470
Other intangible assets	-	-	-	-
Intangible assets in progress	358	-303	-	55
TOTAL INTANGIBLE ASSETS	**19,924**	**912**	**-**	**20,836**
Property, plant and equipment				
Miscellaneous fixtures	4,573	-	-	4,573
Office and computer equipment, and furniture	2,771	-	-	2,771
TOTAL PROPERTY, PLANT AND EQUIPMENT	**7,344**	**-**	**-**	**7,344**
Financial assets				
Long-term equity investments and related loans and receivables	553,577	-	10	553,567
Loans and other financial assets	239	-	124	115
TOTAL FINANCIAL ASSETS	**553,816**	**-**	**134**	**553,682**
TOTAL GROSS TANGIBLE AND INTANGIBLE ASSETS	**581,084**	**912**	**134**	**581,862**

Depreciation, amortisation and impairment	30/09/2013	Increases	Reductions	30/09/2014
Brand names, concessions, patents	96	498	-	594
Goodwill	19,470	-	-	19,470
Other intangible assets	-	-	-	-
TOTAL INTANGIBLE ASSETS	**19,566**	**498**	**-**	**20,064**
Property, plant and equipment				
Miscellaneous fixtures	4,127	101	-	4,228
Office and computer equipment, and furniture	2,690	50	-	2,740
TOTAL PROPERTY, PLANT AND EQUIPMENT	**6,817**	**151**	**-**	**6,968**
Financial assets				
Long-term equity investments and related loans and receivables	75,158	29,459	-	104,617
Loans and other financial assets	-	-	-	-
TOTAL FINANCIAL ASSETS	**75,158**	**29,459**	**-**	**104,617**
TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT	**101,541**	**30,108**	**-**	**131,649**
TOTAL NET TANGIBLE AND INTANGIBLE ASSETS	**479,543**	**-29,196**	**134**	**450,213**

The net drop in the value of tangible and intangible fixed assets (€29,330,000) in the year was mainly due to:

- a €29,459,000 impairment of the equity interest in the subsidiary PV Tourisme Europe, thereby reducing the net value of the shares from €348,080,000 to €318,620,000. This adjustment corresponds to the upward revision of the value of the equity interest and goodwill attached to Pierre & Vacances and Center Parcs tourism business, which was initiated at 30 September 2013. The gross value of these assets includes recognition of unrealised gains recorded historically within the context of internal restructuring in previous financial years. An update of these valuations was made at 30 September 2014 to take into account the economic cycle facing the Pierre & Vacances-Center Parcs Group;
- the acquisition of the *Pricing* software package, an operational tool for daily definition and control of prices for the Pierre & Vacances-Center Parcs brand, for €857,000;
- depreciation/amortisation expense and impairment losses for the year for intangible and tangible fixed assets for €649,000;
- the repayment of €124,000 in deposits with various suppliers.

NOTE 2 Impairment losses

	30/09/2013	Increases	Reductions used	Reductions not used	30/09/2014
Provisions for risks and charges	3,531	244	-	-	3,775
Provisions for impairment losses					
Goodwill	*19,470*	-	-	-	*19,470*
Brand names, concessions, patents	-	*307*	-	-	*307*
Investments in associates and other long-term equity investments	*75,158*	*29,459*	-	-	*104,617*
Trade receivables	*189*	*109*			*298*
Current accounts	*23,891*	-	-	*2,479*	*21,412*
Treasury shares	*2,456*	-	-	*2,456*	-
GRAND TOTAL	**124,695**	**30,119**	**-**	**4,935**	**149,879**

Provisions for risks and charges correspond to provisions covering subsidiaries' net negative positions:

- a total of €3,338,000 for Orion SAS;
- €312,000 for Cobim;
- €125,000 for Part House.

Provisions for impairment losses on investments in associates and other long-term equity investments relate to the following:

- €103,509,000 for Pierre & Vacances Tourisme Europe SAS;
- €1,055,000 for Part House SRL;
- €38,000 for Orion SAS;
- €15,000 for Pierre & Vacances FI SNC.

Provisions for impairment losses on other assets correspond to:

- impairment losses on goodwill from internal restructuring totalling €19,470,000;
- €298,000 for trade receivables;
- additional impairment losses on the current accounts of the subsidiaries Pierre & Vacances FI SNC for €21,120,000 and Part House for €292,000;
- reversals for the year of the provision for impairment losses on treasury shares, excluding treasury shares of €2,456,000 to be delivered to employees of subsidiaries, taking into account the change in the stock market price of Pierre et Vacances SA shares at the end of the reporting period.

NOTE 3 Other receivables

	30/09/2014	30/09/2013
CURRENT ACCOUNTS	**556,340**	**498,562**
Pierre & Vacances FI SNC	*521,878*	*458,412*
Adagio SAS	*7,841*	*9,848*
Pierre et Vacances Maroc	*5,636*	*4,656*
Villages Nature Val d'Europe	*14,180*	*16,623*
Part House SRL	*292*	*292*
Entwicklungsgesellschaft. Ferienhauspark Bostalsee GMBH	*6,513*	*8,679*
Miscellaneous current accounts – assets	*-*	*52*
STATE AND OTHER PUBLIC AUTHORITIES	**8,390**	**11,433**
OTHER RECEIVABLES AND MISCELLANEOUS ACCOUNTS IN DEBIT	**7,280**	**13,447**
TOTAL	**572,010**	**523,442**

Pierre et Vacances FI SNC, a subsidiary of Pierre et Vacances SA, is responsible for central cash management for all Group subsidiaries.

Claims on the State primarily correspond:

- to the VAT credit for the VAT consolidation Group totalling €4,089,000 at 30 September 2014 (compared with €10,500,000 at the end of the previous year, including a €4,500,000 VAT refund request by the VAT consolidated group and a €6,000,000 VAT tax credit earned for September 2013 by the same VAT consolidation group);
- to income tax benefit of €3,046,000 in its capacity as the head of the tax consolidation group on Competitiveness and employment tax credit (CICE) under the financial year 2013;
- to family tax credits of €635,000;
- to rights to recover €544,000 of VAT.

The "Other receivables" item primarily relates to sums owed to Pierre et Vacances SA by subsidiaries:

- €2,989,000 in income tax in its capacity as head of the consolidated tax group, compared with €7,274,000 for the previous year;
- €3,423,000 in consolidated VAT for September 2014.

NOTE 4 Summary of maturities of receivables and liabilities

		Due date	
Receivables	Amount	Less than 1 year	More than 1 year
Other financial assets	115		115
Trade receivables	6,326	6,326	
State and other public authorities	8,390	8,390	
Group and associates	556,340	556,340	
Other receivables	7,280	7,280	
Accruals	2,762	2,762	
	581,213	**581,098**	**115**

Total Liabilities	Amount	Due date: Less than 1 year	1 to 5 years	More than 5 years
Outstanding bond issue	119,019		119,019	
Amounts due to credit institutions	43,297	11,797	31,500	
Sundry loans and long-term borrowings	243,078	242,652		426
Trade payables	4,251	4,251		
Tax and social security liabilities	74	74		
Other liabilities	11,146	11,146		
	420,865	**269,920**	**150,519**	**426**

At 30 September 2014, the outstanding bond issue corresponds to:

- the ORNANE-type bond issued on 4 February 2014 with a principal amount of €115,000,000 and maturing on 1 October 2019. Bonds redeemable in cash and new or existing shares (ORNANE) are convertible at any time by delivery of a new or existing share. They also give the issuer the option to make a full or partial payment in cash when delivering the share. At 30 September 2014, the outstanding balance was €115,000,000;
- the residual balance of the OCÉANE-type bond issued on 2 February 2011 with an original principal amount of €115,000,000, maturing on 1 October 2015 and convertible at any time by the exchange of one new or existing share for each OCÉANE bond. At 30 September 2014, the outstanding balance was €4,019,000. In February 2014, the Group redeemed 1,454,344 OCÉANE bonds, or 96.5% of all OCÉANE bonds outstanding at the time.

At 30 September 2014, amounts due to credit institutions consisted of:

- the principal amount outstanding (€40,500,000) on the Corporate loan following the renewal of the syndicated credit due in June 2015. As part of the refinancing of the Corporate loan in February 2014, the loan maturity was extended by four years, with the final payment scheduled for 19 February 2019.

To manage the risk associated with interest rate fluctuations on variable rate borrowings, the Pierre & Vacances-Center Parcs Group has set up interest rate swap contracts. Thus, swap contracts have been entered into by Pierre et Vacances SA to hedge variable rate loans taken out for the purposes of financing the Group's Corporate loan. The characteristics of all of these hedging contracts are shown in Note 18 "Off-statement of financial position commitments".

None of the Pierre et Vacances SA's bank borrowings are based on its debt rating or that of the Group. Amounts due to credit institutions include contractual clauses referring to the consolidated financial position of the Pierre & Vacances-Center Parcs Group. These ratios are adjusted to the repayment profile for these loans. The level and definition thereof have been fixed in consultation with the lenders on the basis of forecasts. Compliance with these ratios is assessed only once a year at the reporting date. Failure to comply with these ratios authorises the lenders to call in some or all of the debt early. These credit lines are also all provided with the usual legal covenants: "negative pledge", *"pari passu"* and "cross default".

In the financial statements closed on 30 September 2014, the Pierre et Vacances SA statement of financial position recognised a VAT consolidation group claim against the Treasury for a €4,089,000 VAT credit as a result of setting off VAT debts to its subsidiaries totalling €4,464,000 against €8,553,000 in subsidiaries' VAT receivables.

The following companies belonged to the consolidated VAT group at 30 September 2014:

- Pierre et Vacances SA
- PV-CP Distribution SA
- Sogire SA
- Société de Gestion de Mandats SARL
- Club Hôtel Multivacances SAS
- Cobim SARL
- Club Hôtel SARL
- SGRT SARL
- PV Résidences et Resorts France SAS
- Center Parcs Resorts France SAS
- Pierre et Vacances Investissement XXIV SAS
- PV-CP Gestion Exploitation SAS
- Orion SAS
- Pierre et Vacances Senioriales Programmes Immobiliers SAS
- Société d'Exploitation Touristique Pierre et Vacances Guadeloupe
- Société d'Exploitation Touristique Pierre et Vacances Martinique
- Pierre et Vacances Marques SA
- Commerces Patrimoine Cap Esterel SNC
- Pierre et Vacances Esterel Développement SAS
- Pierre et Vacances Investissement XXXXIII SAS
- Pierre et Vacances Investissement XXXVIII SAS
- PV Senioriales Gestion Immobilière SAS, formerly Pierre et Vacances Investissement XXXXV SAS
- Pierre et Vacances Investissement XXXXVI SAS
- Pierre et Vacances Investissement XXXXVII SAS
- Domaine du Lac de l'Ailette SNC

- Société Hôtelière de l'Anse à la Barque SNC
- PV-CP City SAS
- PV Prog 30 SNC SNC LE ROUSSET ÉQUIPEMENT
- PV Prog 44 SNC SNC POLIGNY COTTAGES
- PV Prog 45 SNC SNC POLIGNY ÉQUIPEMENTS
- PV Prog 46 SNC SNC SUD OUEST COTTAGES
- PV Prog 47 SNC SNC SUD OUEST ÉQUIPEMENTS
- PV Prog 48 SNC SNC LILLE LOISIRS
- PV Prog 49 SNC
- PV-CP Holding Exploitation SAS
- PV Rénovation Tourisme SAS

NOTE 5 Accrued income and expenses

Accrued income	30/09/2014	30/09/2013
Customers	48	1,334
Repayment of business tax (*taxe professionnelle*)		154
Accrued competitiveness and employment tax credit (CICE) for the year	75	
Interest accrued	626	314
Interest on MGM debt	2	4
Repayment of surety commission		557
	751	**2,363**

Accrued expenses	30/09/2014	30/09/2013
Interest accrued on loans and borrowings	4,071	4,870
Suppliers	548	1,722
Expenses on swaps	0	185
	4,619	**6,777**

NOTE 6 Marketable securities and cash

Marketable securities consist primarily of treasury shares. These amounted to €11,644,000 at 30 September 2014.

At 30 September 2014, the Group held:

- 367,983 treasury shares intended to be granted to employees and totalling €11,411,000;
- 8,611 shares acquired to adjust the stock market price, for an amount of €233,000.

Cash and cash equivalents amounted to €160,000 at 30 September 2014, compared with €241,000 at the end of the previous year.

NOTE 7 Changes in equity

	Share capital	Additional paid-in capital	Reserves and retained earnings	Profit (loss) for the year	Total
EQUITY AT 30/09/2012	**88,215**	**8,691**	**557,468**	**32,350**	**686,724**
Capital increase					
Dividends paid					
Statutory reserve					
Retained earnings			32,350	-32,350	
Profit (loss) for the year				-113,490	-113,490
EQUITY AT 30/09/2013	**88,215**	**8,691**	**589,818**	**-113,490**	**573,234**
Capital increase					
Dividends paid					
Statutory reserve					
Retained earnings			-113,490	113,490	
Profit (loss) for the year				30,309	30,309
EQUITY AT 30/09/2014	**88,215**	**8,691**	**476,328**	**30,309**	**603,543**

At 30 September 2014, Société d'Investissement Touristique et Immobilier (S.I.T.I.) held a 44.25% interest in Pierre et Vacances SA.

NOTE 8 Sundry loans and other borrowings

	30/09/2014	30/09/2013
Loans and advances to equity investees	**230,354**	**230,226**
PV-CP Finances SAS	-	229,035
Interest accrued on the PV-CP Finances SAS borrowings	-	1,191
Pierre & Vacances FI SNC	229,035	-
Interest accrued on the Pierre & Vacances FI SNC borrowings	1,319	-
Current accounts	**12,298**	**10,559**
Société d'investissement Touristique et Immobilier	12,298	10,559
Deposits received	**426**	**426**
TOTAL	**243,078**	**241,211**

The €229,035,000 financial liabilities held in respect of Pierre & Vacances FI SNC corresponding to the purchase price of shares in Center Parcs Holding France SAS was transferred over the previous reporting period to PV-CP Finances SAS by means of a partial contribution of assets, then it was transferred by the latter to Pierre & Vacances FI SNC on 1 October 2013.

NOTE 9 Other liabilities

	30/09/2014	30/09/2013
Entwicklungsgesellshaft Germany GmbH (Bostalsee)	-	3,857
Payables relating to tax consolidation	2,381	5,298
Payables relating to the VAT consolidation group	8,553	6,835
Sundry liabilities	212	597
TOTAL	**11,146**	**16,587**

Payables relating to tax consolidation are linked to the recognition of tax advances resulting from tax consolidation into Pierre et Vacances SA in its capacity as parent company of the tax consolidation group.

Total liabilities relating to the VAT consolidation group are linked to the recognition of subsidiaries' VAT liabilities for the Pierre et Vacances SA September 2014 VAT return submitted in its capacity as parent company of the tax consolidation group.

Sundry liabilities correspond, in particular, to €125,000 in attendance fees for the 2013/2014 financial year.

NOTE 10 Accruals

Assets	30/09/2014	30/09/2013
Rents and rental charges	1,900	1,859
Miscellaneous	862	782
TOTAL PREPAID EXPENSES	**2,762**	**2,641**

The item "Miscellaneous" included €767,000 in computer rental prepayments with respect to licences and maintenance at 30 September 2014.

Liabilities	30/09/2014	30/09/2013
Margin on securitisation	-	2
TOTAL DEFERRED INCOME	**-**	**2**

The margin on securitisation, recognised in deferred income and corresponding to the spreading over the duration of the operation of the profit generated by transactions for the securitisation of receivables arising from sales under the "Ownership & Holidays" formulae, was extinguished at 30 September 2014.

NOTE 11 Deferred expenses

	30/09/2013	Increase	Reduction	30/09/2014
Commission on loan	992	7,657	1,892	6,757
TOTAL	**992**	**7,657**	**1,892**	**6,757**

The increase in the commission on loan for the year corresponds to fees and bank charges incurred in connection with the refinancing effort:

- new bank loans granted during the year for €3,765,000;
- the issuance of bonds redeemable in cash and/or new and/or existing shares (ORNANE) for €3,892,000.

NOTE 12 Analysis of operating profit (loss)

	2013/2014	2012/2013
Services	6,397	2,754
Miscellaneous rentals	6,311	6,727
TOTAL REVENUE	**12,708**	**9,481**
Reinvoicing of expenses and fees	16,596	10,267
Miscellaneous	251	3
TOTAL OPERATING INCOME	**29,555**	**19,751**
Rents and rental charges	7,675	8,023
Miscellaneous fees	4,955	5,148
Other purchases and external expenses	15,532	8,995
Depreciation, amortisation and impairment	1,442	905
TOTAL OPERATING EXPENSES	**29,604**	**23,071**
OPERATING PROFIT (LOSS)	**-49**	**-3,320**

Revenue for financial year 2013/2014 mainly consisted of:

- €6,397,000 in reinvoiced services rendered to subsidiaries for the development of their businesses, including for the year €4,000,000 in income relating to services rendered to the subsidiary SNC Presqu'île de la Touques Loisirs, such as assistance in seeking an investor, setting up financing and financial engineering;
- €6,311,000 in reinvoiced rent expenses representing the share of subsidiary entities for their occupation of premises at the Group's registered office at Artois, in the 19th district of Paris.

Operating loss for the financial year 2013/2014 was €49,000 (compared with a €3,320,000 loss in 2012/2013). This loss was the result of costs inherent in the Group's holding activity. The decrease in operating loss primarily stems from €4 million in services invoiced to the real property development subsidiary SNC Presqu'île de la Touques Loisirs with respect to its search for an investor partner and the structuring of related financing.

NOTE 13 Net financial income

	2013/2014	2012/2013
Financial income from associates and other long-term equity investments	55,085	4,446
Reinvoiced expenses and reversals of provisions	5,090	4,038
Other interest income	6,416	6,225
Other financial income	77	38
FINANCIAL INCOME	**66,668**	**14,747**
Amortisation and provisions on financial assets	29,703	98,660
Impairment losses		
Interest expense	11,249	13,877
Net expense on disposals of marketable securities	83	268
Other financial expenses	-	-
FINANCIAL EXPENSES	**41,035**	**112,805**
NET FINANCIAL INCOME	**25,633**	**-98,058**

Net financial income for 2013/2014 was €25,633,000. It consisted primarily of the following:

- dividend income of €55,085,000 from subsidiaries, including:
  - €49,285,000 from the company PVCP Immobilier Holding, a sub-holding company for the property development business segment,
  - €5,461,000 from PV Marques, a subsidiary owning the Group's brands (mainly Pierre et Vacances, Maeva and Multivacances), excluding "Les Senioriales" brand and those operated by the Center Parcs sub-group,
  - €339,000 from the company PV Courtage;
- interest income of €6,410,000 on current accounts, including €5,191,000 on the current account held by Pierre et Vacances FI SNC, a subsidiary responsible for the Group's central cash management;
- a reversal of €2,456,000 of the provision for impairment losses on treasury shares;
- a reversal of €2,479,000 of the provision for impairment losses on the current account held by Pierre et Vacances FI SNC related to the changes thereto;
- financial expenses of €41,035,000 including, in particular:
  - additions of €29,703,000 to financial provisions, including an addition of €29,459,000 related to shares in Pierre et Vacances Tourisme Europe,
  - interest expense on bank loans of €4,091,000, including €1,383,000 related to the syndicated loan, €2,547,000 related to ORNANE bonds convertible into shares, which were subscribed for during the year, and €161,000 related to outstanding OCÉANE bonds,
  - interest expense on other borrowings of €1,356,000, including €1,318,000 payable to Pierre & Vacances FI SNC,
  - interest expense and commissions on bank loans of €4,016,000,
  - interest expense and commissions on short-term financing of €1,045,000,
  - fees and commissions and expenses on sureties and interest rate swaps of €653,000.

Net financial expenses for 2012/2013 amounted to €98,058,000. It mainly consisted of the following:

- dividend income of €4,446,000 from subsidiaries;
- interest income of €5,258,000 on the current account, including €4,536,000 on the current account of Pierre & Vacances FI SNC;
- income of €3,833,000 relating to an adjustment to the provision for treasury share impairment losses;
- financial expenses of €112,805,000, including, in particular:
  - impairment losses on financial assets totalling €98.7 million,
  - interest on bank loans and the Corporate loan of €9,957,000,
  - commissions and interest on bank loans of €2,162,000,
  - fees and commissions and expenses on sureties and interest rate swaps of €1,532,000.

NOTE 14 Non-recurring profit (loss)

	2013/2014	2012/2013
Non-recurring profit (loss) on management transactions	-5,280	-2,609
Non-recurring profit (loss) on capital transactions	-10	-3,970
Non-recurring additions to/reversals of provisions and transfers of expenses	4	-19,389
NON-RECURRING PROFIT (LOSS)	**-5,286**	**-25,968**

Non-recurring loss for the year of €5,286,000 essentially consists of the cost to redeem OCÉANE bonds of €5,367,000.

Non-recurring loss of €25,938,000 for 2012/2013 primarily comprised:

- a €19,470,000 provision for goodwill impairment arising from internal restructuring and relating to the Pierre et Vacances/Maeva tourism business;
- €2,134,000 for charges and fees paid in the context of Group restructuring activities;
- a €3,850,000 loss on the exchange of shares in CP Prog Holding SAS for shares in Pierre & Vacances Immobilier Holdings SAS, following the merger-acquisition of the latter.

NOTE 15 Transfers of expenses

	2013/2014	2012/2013
Borrowing costs reclassified to deferred expenses spread over the loan terms	7,657	
Reinvoiced Head Office costs and services	7,039	7,021
Borrowing costs reclassified to financial income (expenses)	1,891	567
Reinvoiced employee expenses	457	455
Operating expenses reclassified to non-recurring income (loss)	447	2,083
Reinvoiced miscellaneous expenses	4	
TOTAL RECLASSIFICATIONS OF OPERATING EXPENSES	**17,495**	**10,126**
Reinvoiced bank guarantees	155	148
TOTAL TRANSFERS OF FINANCIAL EXPENSES	**155**	**148**
Reinvoiced non-recurring expenses	311	
TOTAL TRANSFERS OF NON-RECURRING EXPENSES	**311**	
TOTAL TRANSFERS OF EXPENSES	**17,961**	**10,274**

NOTE 16 Income tax

Pierre et Vacances SA formed a tax consolidation group with effect from 1 October 1996. At 30 September 2014, this group comprised the following companies:

- Pierre et Vacances SA;
- Pierre & Vacances Tourisme Europe SA;
- PV-CP Distribution SA;
- Sogire SA;
- Compagnie Hôtelière Pierre et Vacances SA;
- Société de Gestion de Mandats SARL;
- Club Hôtel Multivacances SAS;
- Pierre et Vacances Transactions SARL;
- Pierre et Vacances Développement SA;
- Pierre & Vacances Conseil Immobilier SA;
- Pierre et Vacances Courtage SARL;
- Club Univers de France SARL;
- Pierre & Vacances Rénovation Tourisme SAS;
- Cobim SARL;
- Tourisme Rénovation SAS;
- Peterhof 2 SARL;
- Club Hôtel SARL;
- SGRT SARL;
- Pierre & Vacances FI SNC;
- PV Résidences et Resorts France SAS;
- Center Parcs Resorts France SAS;
- Pierre et Vacances Investissement XXIV SAS;
- PV-CP Holding Exploitation SAS;
- PV-CP Gestion Exploitation SAS;
- PV Senioriales Promotion et Commercialisation SAS;
- SICE SNC;
- Holding Rénovation Tourisme SAS;
- Orion SAS;
- Pierre et Vacances Senioriales Programmes Immobiliers SAS;
- PV-CP Immobilier Holding SAS;
- Société d'Exploitation Touristique Pierre et Vacances Guadeloupe;
- Société d'Exploitation Touristique Pierre et Vacances Martinique;
- Pierre et Vacances Marques SA;
- Commerces Patrimoine Cap Esterel SNC;
- Pierre et Vacances Esterel Développement SAS;
- Pierre et Vacances Investissement XXXXIII SAS;
- PV Senioriales Exploitation SAS;
- PV Senioriales Gestion Immobilière SAS, formerly Pierre et Vacances Investissement XXXXV SAS;
- Pierre et Vacances Investissement XXXXVI SAS;
- Pierre et Vacances Investissement XXXXVII SAS;
- Center Parcs Holding Belgique SAS;
- PV-CP Finances SAS;
- Pierre et Vacances Investissement XXXXIX SAS;
- PV-CP City SAS.

Breakdown of the tax expense	
Tax passed on by subsidiaries	9,802
Family tax benefit	209
Net tax (benefit)	**10,011**

Each subsidiary in the tax consolidation group recognises its tax as if it were levied separately. Pierre et Vacances SA, as the parent company in the tax consolidation group, records the tax saving resulting from tax consolidation.

In the absence of tax consolidation, the amount of tax that would have been borne by Pierre et Vacances SA in 2013/2014 would have been zero.

Further to the rulings handed down in July 2013 by the Administrative Court, Pierre et Vacances SA obtained a favourable outcome to its dispute with the Tax Authorities relating to a tax inspection for the financial years 2003/2004, 2004/2005 and 2005/2006. Although the Tax Authorities launched an appeal against these decisions, in light of the ruling and the findings of the Reporting Judge (*Rapporteur Public)* and the advice of tax advisors, the Pierre & Vacances-Center Parcs Group does not anticipate any financial risk. It also obtained revocation of the bank guarantee, set up on 30 November 2011 following the request for recovery made as a result of this audit, as well as obtaining reimbursement of all costs incurred as a result of setting up this guarantee.

NOTE 17 Increases and reductions in the future tax liability

The taxable result of the whole consolidation group led by Pierre et Vacances SA showed an amount of €40,635,000 for 2013/2014, corresponding to a loss at the standard tax rate that may be carried forward.

NOTE 18 Related companies

Statement of financial position items	Related companies	Equity investees
Net equity interests	447,200	1,750
Trade receivables	4,911	262
Other receivables(*)	519,999	22,021
Sundry loans and long-term borrowings(*)	242,652	
Trade payables	661	
Other liabilities	10,934	
Income and expense items		
Financial expenses	1,329	
Financial income	61,171	324
Non-recurring expenses	134	25
Non-recurring income	30	

(*) These items mainly include current accounts and are shown net of impairment losses.

FINANCIAL COMMITMENTS AND OTHER INFORMATION

NOTE 19 Off-statement of financial position commitments

	30/09/2014	30/09/2013
Guarantees and pledges:	**1,439,614**	**1,428,679**
Lease payment guarantees	1,130,946	1,174,763
First-call guarantee to Sogefinerg (Ailette finance lease)	174,119	177,145
Guarantee given within the framework of contracts to outsource CPE IT solutions and equipment	49,414	58,014
Counter-guarantee given on behalf of TH Hotel Espagne to HSBC for the operating of a residence in Torremolinos	0	1,100
Counter-guarantee given on behalf of Uniqua to Unicredit Bank Austria AG for the operating of a holiday residence in Vienna	1,200	1,200
Guarantee given on behalf of SNC Bois de la Mothe Chandenier Cottages to Bellin TP regarding exterior work (earthworks, wastewater treatment, roads, trenches, etc.) contracts for Center Parcs in the Vienne region	7,608	0
Guarantee given on behalf of SNC Bois de la Mothe Chandenier Équipements to Bellin TP regarding exterior work (earthworks, wastewater treatment, roads, trenches, etc.) contracts for Center Parcs in the Vienne region	6,636	0
Counter-guarantee issued to Société Générale on behalf of PV Exploitation Belgique to secure a leasehold agreement	620	620
Guarantee given to CACIB on behalf of SNC Presqu'île de la Touques Loisirs for the financing of the property development programme in Deauville	30,000	0
Surety issued to the town of Deauville on behalf of SNC Presqu'île de la Touques Loisirs for the acquisition of a property complex in Deauville	15,733	0
Guarantee given to Natixis on behalf of SAS Foncière Presqu'île de la Touques Loisirs for the financing of the property development programme in Deauville	3,750	0
Surety on behalf of PVD SA to Colmar Patrimoine SARL for the purchase of property	0	198
Surety on behalf of PVD SA to the local authority of Courseulles sur Mer for the purchase of land	159	159
Surety on behalf of PVD SA to the local authority of Roybon for the purchase of land	30	30
Surety issued to BNP Paribas Leasing Solutions & Fortis Lease NV on behalf of PV Exploitation Belgique as part of the TV leasing agreement	39	39
Surety issued to the development company ARVE-GIFFRE on behalf of Flaine Montsoleil for the purchase of land	0	2,000
Surety issued to SoGePi on behalf of PV Italia as part of the sale of Calarossa	413	413
Counter-guarantee issued to CACIB on behalf of Adagio SAS regarding Westdeutscher Rundfunk	39	0
Surety issued on behalf of CP Algäu GMBH to Leutkircher Bank as part of the extension of the loan agreement	1,505	0
Surety issued to G.C.C. on behalf of Les Senioriales – Marseille Saint Loup within the context of a works contract for Lot No. 2 – Structural Work	65	2,811
Surety issued to the Treasury on behalf of Roybon Équipements SNC concerning the deferred payment of the Architecture, Planning and Environment Council regional tax as well as the regional tax for sensitive natural areas	3,724	2,418

	30/09/2014	30/09/2013
Surety issued to the Treasury on behalf of Roybon Équipements SNC concerning the deferred payment of the rescue archaeology fee	330	0
Surety issued to Les Zelles SAS on behalf of Les Senioriales – Marseille Saint Loup for the performance of works Lot No. 6 External woodwork	0	234
Surety on behalf of Les Senioriales – Izon	583	1,325
Surety on behalf of Les Senioriales – Marseille Saint Loup	1	2,062
Surety on behalf of Les Senioriales – Saint Laurent de la Prée	0	227
Surety on behalf of Les Senioriales – Mions	0	1,510
Surety on behalf of Flaine Montsoleil Centre	0	2,183
Surety on behalf of Bois de la Mothe Chandenier Cottages	0	228
Mortgages:		
Mortgage on behalf of Les Senioriales – Cavillargues	650	0
Mortgage on behalf of Les Senioriales – Cenon	3,200	0
Mortgage on behalf of Les Senioriales – Boulou	3,600	0
Mortgage on behalf of Les Senioriales – Manosque	4,000	0
Mortgage on behalf of Les Senioriales – Charleval	1,250	0
COMMITMENTS GIVEN	**1,439,614**	**1,428,679**
Guarantees and pledges:	**2,408**	**2,408**
Guarantee received from Accor for 50% of the counter-guarantee amount to Unicredit Bank Austria AG for the operating of a residence in Vienna	600	600
Rent guarantee deposit – Artois	1,795	1,795
Guarantee deposit for additional parking spaces	13	13
COMMITMENTS RECEIVED	**2,408**	**2,408**
RECIPROCAL COMMITMENTS	**32,400**	**40,000**

Lease payment guarantees

Pierre et Vacances SA has provided guarantees totalling €1,130,946,000, as described below:

- to Green Buyco BV a company outside the Group, owner of the land and buildings of seven Center Parcs Europe villages, for payment of rent by its operating subsidiaries. At 30 September 2014, outstanding rent commitments for the remaining term of the leases for these seven villages came to €561,6 million;
- for payment of rent for the village of Eemhof to the Dutch company Zeeland Investments Beheer, owner of the land and buildings of the village. Outstanding rent commitments for the remaining term of the lease came to €140.7 million;
- to the owner of the land and buildings of the Center Parcs village of Bostalsee in the Sarre region of Germany, together with Center Parcs Bungalowpark GmbH, for payment of rent owed by its operating subsidiary. Outstanding rent commitments for the remaining term of the lease came to €105.0 million;
- to the owner of the Adagio residence in Liverpool, for the payment of 50% of rent owed by its operating subsidiary Adagio UK Limited. Outstanding rent commitments for the remaining term of the lease came to €7.5 million;
- to the owner of the Adagio residence in Cologne, for the payment of 50% of rent owed by its operating subsidiary Adagio Deutschland GmbH. Outstanding rent commitments for the remaining term of the lease came to €8 million;
- to the owner of the land and buildings of the Center Parcs village of Butjadinger Küste in Tossens, Germany, together with Center Parcs Europe NV, for payment of rent owed by its operating subsidiary. Outstanding rent commitments for the remaining term of the lease came to €23.9 million;
- to Uniqua, owner of the residence in Vienna, for payment of outstanding rent commitments for the remaining term of the lease amounting to €6.7 million;
- to Spectrum Real Estate GmbH, owner of the residence in Munich, for payment of outstanding rent commitments for the remaining term of the lease amounting to €6.6 million;

- to the individual owners of the Bonmont residence, for payment of outstanding rent commitments for the remaining term of the lease amounting to €5.8 million;
- to Llopuig S.L., owner of the Tossa Del Mare residence, for payment of outstanding rent commitments for the remaining term of the lease amounting to €0.6 million;
- to Diesco De Restauracio S.L., owner of the Calacristal residence, for payment of outstanding rent commitments for the remaining term of the lease amounting to €0.4 million;
- to La Foncière des Murs for rent commitments related to the Sunparks villages, with an outstanding amount for the term of the leases of €168 million;
- to Eurosic for rent commitments related to the Center Parcs village in Chaumont, with an outstanding amount for the term of the leases of €40.3 million;
- to Eurosic for rent commitments related to the Center Parcs village in Bois Francs, with an outstanding amount for the term of the leases of €55.9 million.

First-call guarantee to Sogefinerg (Ailette finance lease)

Within the framework of the building of central facilities (tropical paradise, restaurants, bars, shops, sports and leisure facilities) at the new Center Parcs in Aisne, Pierre et Vacances signed a public service delegation agreement with the Conseil Général de l'Aisne, which delegates to Pierre & Vacances and its subsidiaries the design, building and operation of the leisure centre facilities. Furthermore, a tripartite agreement was signed between Pierre et Vacances, the Conseil Général de l'Aisne and a finance institution to set up the financing for this work. Part of the cost of building the facilities is being provided by a subsidy from the Conseil Général de l'Aisne. The remaining financing is based on the transfer of assets to the financial institution as an off-plan sale performed by a property development subsidiary indirectly owned by Pierre et Vacances. The transfer is supplemented by a lease of the facilities. Within the framework of the finance lease for the facilities, Pierre et Vacances SA has granted a first-call guarantee of €174,119,000 that will be amortised over the term of the lease, i.e., until 31 December 2038. On this date, the Conseil Général will regain ownership of the facilities free of charge.

Guarantees to banks on behalf of Group subsidiaries

In the context of bridging loans put in place for property development operations, Pierre et Vacances SA has granted guarantees to banks on behalf of Group subsidiaries totalling €584,000.

Reciprocal commitments

The derivative financial instruments contracted by the Pierre & Vacances-Center Parcs Group at 30 September 2014 are intended exclusively for the management of interest rate risk. They are deemed to be derivatives designated as cash flow hedging instruments. Interest rate risk is generally managed relative to the Group's net financial liabilities in order to protect it against a possible rise in interest rates. To this end, the Group entered into swap agreements with leading banks.

At 30 September 2014, the notional amounts and market values of the swap contracts intended to hedge the variable rate borrowings were as follows:

Rate received	Rate paid	Notional amount at 30/09/2014 *(in € thousands)*	Start date	Maturity date
6-month Euribor	0.6950%	16,200	19 Sep. 2014	19 Sep. 2018
6-month Euribor	0.6790%	16,200	19 Sep. 2014	19 Sep. 2018

The market value of the swaps was -€340,000 at 30 September 2014, compared with -€328,000 at 30 September 2013 for the swaps outstanding at that date.

NOTE 20 Parent company

The Company's financial statements are fully consolidated into those of Société d'Investissement Touristique et Immobilier – S.I.T.I. SA.

NOTE 21 Remuneration of executive management and directors

Attendance fees paid to members of the Board of Directors in 2014 in respect of financial year 2013/2014 amounted to €125,000 compared with €155,000 paid for 2012/2013.

For the years ended 30 September 2014 and 30 September 2013, no salary (including benefits of any kind) was paid to a corporate officer directly by Pierre et Vacances SA or by any of the Pierre & Vacances-Center Parcs Group companies controlled as defined in Article L. 233-16 of the French Commercial Code.

However, Société d'Investissement Touristique et Immobilier (a company indirectly owned by the Chairman, founder and majority shareholder of Pierre et Vacances SA), as an asset management company, invoiced for fees for the services rendered by Gérard Brémond, Françoise Gri, Thierry Hellin and Patricia Damerval. The fees invoiced by S.I.T.I. were calculated on the basis of direct costs (remuneration paid + employer's contributions + other direct costs: travel, premises, secretarial costs) plus a 5% margin and calculated prorata for the time spent by each individual on managing the business of Pierre & Vacances-Center Parcs Group companies.

Since these people are on the Group Executive Management Committee, their remuneration is included in the table below:

	2013/2014	2012/2013
Fixed remuneration(1)	1,632,015	1,507,270
Variable remuneration(2)	635,290	297,425
Post-employment benefits(3)	19,647	15,622
Share-based remuneration(4)	373,770	323,265
TOTAL	**2,660,722**	**2,143,582**

(1) Amount paid including reinstatement of the benefit in kind involving the availability of a company car.
(2) Paid in the financial year following the year for which it is granted.
(3) This amount corresponds to the expense recognised during the financial year.
(4) Represents the annual share-based remuneration expense on grants of share options and bonus shares (theoretical measurement on the basis of the of Pierre et Vacances shares at the date of grant). The €296,958 relating to options is for instruments which will only vest (and therefore may be exercised) from 4 March 2015, subject to presence and/or performance conditions, and for which the value, to date, can be considered to be zero due to the drop in the price of the Pierre et Vacances share well below the exercise price (€63.93).

For each of them, the variable bonus is determined based on the financial performance of the Pierre & Vacances-Center Parcs Group and the achievement of personal objectives.

NOTE 22 List of subsidiaries and equity investments

Subsidiaries, associates and other long-term equity investments	Share capital	Equity other than share capital (excluding profit)	Portion of capital held (in %)	Gross value of shares held
Subsidiaries (more than 50% of capital held):				
PV-CP Immobilier Holding	31	43,529	100.00	64,965
Pierre et Vacances FI SNC	15	-23,613	99.00	15
Cobim SARL	76	-364	100.00	0
Part House SRL	99	-109	55.00	1,054
Pierre et Vacances Courtage SARL	8	218	99.80	8
Orion SAS	38	-3,284	100.00	38
Pierre et Vacances Investissement XXXVIII SAS	38	-6	100.00	38
Pierre et Vacances Investissement XXXXIII SAS	38	-6	100.00	38
Pierre et Vacances Investissement XXXXVI SAS	10	-11	100.00	10
Pierre et Vacances Investissement XXXXVII SAS	10	-11	100.00	10
Pierre et Vacances Investissement XXXXIX SAS	10	-7	100.00	10
PV CP Support Services BV	18	0	100.00	18
Pierre et Vacances Maroc SAS	146	-1,063	100.00	2,720
Multi-Resorts Holding BV	18	477	100.00	18
Pierre et Vacances Tourisme Europe	52,590	160,315	100.00	422,129
Pierre et Vacances Marques SAS	62,061	2,273	97.78	60,686
Subsidiaries (more than 10% of the capital held):				
GIE PV-CP Services	150	2	20.00	30
Adagio SAS	1,000	2,268	50.00	500
Entwicklungsgesellschaft Ferienhauspark Bostalsee GmbH	100	1,143	19.90	20
Les Villages Nature de Val d'Europe SAS	2,018	160	50.00	1,234
Villages Nature Management SARL	21	-2	50.00	15

Net carrying amount of shares held	Loans and receivables outstanding granted by the company and not yet paid back	Amount of deposits and endorsements given by the Company	Revenue before tax for the last financial year	Profit (loss) for the year ended	Dividends gained by the Company during the financial year	Comments
64,965	0	0	20	2,680	49,285	30/09/2014
0	521,877	0	0	1,184	0	30/09/2014
0	0	0	0	-23	0	30/09/2014
0	292	0	42	-115	0	30/09/2014
8	0	0	862	372	339	30/09/2014
0	0	0	466	-51	0	30/09/2014
38	0	0	0	-1	0	30/09/2014
38	0	0	0	-1	0	30/09/2014
10	0	0	0	-3	0	30/09/2014
10	0	0	0	-3	0	30/09/2014
10	0	0	0	-3	0	30/09/2014
18	0	0	0	-12	0	30/09/2014
2,720	5,636	0	260	-367	0	30/09/2014
18	0	0	0	-37	0	30/09/2014
348,080	0	0	0	-4,384	0	30/09/2014
60,686	0	0	0	5,675	5,461	30/09/2014
30	0	0	0	0	0	30/09/2014
500	7,841	0	72,547	1,600	0	31/12/2013
20	6,513	0	22,469	3,431	0	30/09/2014
1,234	14,180	0	71,835	1,862	0	30/09/2014
15	0	0	0	-4	0	30/09/2014

NOTE 23 Events after the reporting period

Governance

On 20 October 2014 Gerard Bremond, the Group Chairman, took over the position of Chief Executive Officer, as the Win strategic plan became operational.

To continue the growth of the tourism business, Martine Balouka-Vallette was appointed Chief Executive Officer for Tourism – Pierre & Vacances and Center Parcs, resulting in the departure of Françoise Gri, who was previously Group CEO.

Martine Balouka-Vallette, who joined the Group in 2002, successfully led the Tourism business segment of Pierre & Vacances and Maeva for seven years. She then orchestrated the Group's entry in the Moroccan market. Since 2012, she has been Chief Executive Officer of Adagio which under her leadership has expanded rapidly, especially internationally, and significantly increased its performance.

Martine Balouka-Vallette is on the Group's Executive Management Committee and the Board of Directors of Pierre et Vacances SA.

Gérard Brémond will be supported by the Group Executive Committee consisting of the two Deputy Chief Executive Officers of the Group, Patricia Damerval and Thierry Hellin, and by Martine Balouka-Vallette.

2

FIVE-YEAR FINANCIAL SUMMARY

	Year ending 30 September				
Information type	2010	2011	2012	2013	2014
I- Financial position					
a) Share capital	88,216	88,216	88,216	88,216	88,216
b) Number of shares issued	8,821,551	8,821,551	8,821,551	8,821,551	8,821,551
c) Par value (in €)	10.00	10.00	10.00	10.00	10.00
II- Results of transactions					
a) Revenue before tax	8,266	8,451	8,725	9,481	12,708
b) Income before tax, depreciation, amortisation and impairment	4,886	65,236	24,539	-12,425	47,526
c) Income tax	-7,302	-12,224	-12,371	-13,856	-10,011
d) Income after tax, depreciation, amortisation and impairment	11,437	74,510	32,350	-113,490	30,309
e) Profits distributed	6,175	6,175	-	-	-
III- Earnings per share *(in €)*					
a) Income after tax, but before depreciation, amortisation and impairment	0.55	8.78	4.18	0.16	5.39
b) Income after tax, depreciation, amortisation and impairment	1.30	8.45	3.67	-12.87	3.44
c) Dividend per share	0.70	0.70	0.00	0.00	0.00
IV- Employees					
a) Number of employees					
b) Employee expenses, excluding benefits			None		
c) Employee benefit expenses					

STATUTORY AUDITORS' REPORT ON THE PARENT COMPANY FINANCIAL STATEMENTS

Year ended 30 September 2014

To the Shareholders

In compliance with the assignment entrusted to us by your Shareholders' Ordinary Meeting, we hereby report to you, for the year ended 30 September 2014, on:

- the audit of the accompanying annual financial statements of Pierre et Vacances;
- the justification of our assessments;
- the specific verifications and information required by law.

The annual financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the annual financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the annual financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the annual financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the annual financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the annual financial statements give a true and fair view of the assets and liabilities and of the financial position of Pierre et Vacances SA., as well as of the results of its operations for the year then ended in accordance with French accounting principles and methods.

II. Justification of our assessments

In accordance with the provisions of Article L. 823-9 of the French Commercial Code on the justification of our assessments, please note the following items:

- section 2 "Significant accounting policies" of the notes to the financial statements describes in particular the principles and methods related to the measurement of investments in associates and other long-term equity investments. Note 2 "Provisions" of section 3 "Additional information on the statement of financial position and income statement" sets out the impairment losses recognised on certain investment securities and intangible assets. We verified the appropriateness of the accounting methods applied as well as of the information provided in the notes to the annual financial statements.

These assessments were made as part of our audit of the annual financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verifications and information

In accordance with the professional standards applicable in France, we have also performed the specific verifications required by law.

We have no matters to report regarding the fair presentation and consistency with the annual financial statements of the information given in the Board of Directors management report and in the documents sent to shareholders on the financial position and the annual financial statements.

As regards the information provided pursuant to Article L. 225-102-1 of the French Commercial Code on remuneration and benefits paid to executive and non-executive corporate officers and commitments made in their favour, we verified the consistency of this information with the information given in the financial statements or with the data used to prepare the financial statements, and, if applicable, with the information received by the Company from the companies which control it or which are controlled by it. On the basis of this work, we certify that this information is accurate and fair.

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Paris and Paris-La Défense, France, 19 January 2015

The Statutory Auditors

AACE ÎLE-DE-FRANCE French member of Grant Thornton International	ERNST & YOUNG et Autres
Michel Riguelle	Bruno Bizet

STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS AND COMMITMENTS

Year ended 30 September 2014

To the Shareholders

In our capacity as your Company's statutory auditors, we hereby present our report on regulated agreements and commitments.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements and commitments indicated to us, or that we may have identified in the performance of our engagement. We are not required to comment as to whether they are beneficial or appropriate or to ascertain the existence of any such agreements and commitments. It is your responsibility, in accordance with Article R. 225-31 of the French commercial code (Code de commerce), to evaluate the benefits resulting from these agreements and commitments prior to their approval.

In addition, it is our responsibility, where applicable, to report to you the information required by Article R. 225-31 of the French Commercial Code relating to the execution, during the year under review, of agreements and commitments previously approved by the Shareholders' Ordinary Meeting.

We performed the procedures we deemed necessary pursuant to the professional guidelines of the French Institute of Statutory Auditors *(Compagnie nationale des commissaires aux comptes)* regarding this type of assignment. These procedures consisted of verifying that the information provided to us was consistent with the relevant source documents from which it was taken.

Agreements and commitments submitted for approval by the Shareholders' Ordinary Meeting

Agreements and commitments authorised during the year:

We hereby inform you that we have not been advised of any agreement or commitment authorised during the past financial year to be submitted to the Shareholders' Ordinary Meeting for approval in accordance with article L. 225-38 of the French commercial code.

Agreements and commitments already approved by the Shareholders' Ordinary Meeting

Agreements and commitments approved during previous financial years that remained in effect during the year:

In accordance with Article L. 225-30 of the French Commercial Code, we have been advised that the following agreements and commitments approved by your Shareholders' Ordinary Meeting in previous financial years remained in effect during the year:

With Adagio SAS:

Nature and purpose:

On 3 September 2013, your Board of Directors authorised the signing of a corporate strategy support contract between, on the one hand, Pierre & Vacances and Accor, and on the other hand, Adagio SAS.

This support contract was signed on 4 September 2013 for a period of one year, expiring on 31 December 2013. These service provisions gave rise to remuneration calculated on the basis of real direct and indirect costs, plus a 10% margin, and were billed quarterly on the basis of evidence of services rendered to Adagio SAS.

Conditions:

As a result, your Company recognised an income of €142,000 at 30 September 2014.

Persons involved:

- Gérard Brémond, Chairman of the Board of Directors of Pierre et Vacances and member of the Board of Directors of Adagio SAS;
- Françoise Gri, Chief Executive Officer of Pierre et Vacances (until 20 October 2014) and member of the Board of Directors of Adagio SAS (until 23 October 2014);
- Patricia Damerval, permanent representative of GB Développement SAS on the Pierre et Vacances Board of Directors and member of the Board of Directors of Adagio SAS.

With S.I.T.I. – Société d'investissement Touristique et Immobilier

Nature and purpose:

Sale and leaseback transaction with Zeeland Investments Beheer B.V.:

S.I.T.I. has a freely transferable option to purchase 100% of the shares of the company **Recreatiecentrum De Eemhof B.V.,** or the buildings of the Eemhof village (owned by CENTER PARCS DE EEMHOF B.V., a **company wholly owned by Recreatiecentrum DE EZMHOF B.V.**), initially exercisable within ten years. This term was extended by five years in 2009/2010, following the signing of a renovation programme for the Eemhof village and including 564 cottages for a total of €14.5 million. Therefore, if the option is exercised, **S.I.T.I.** will acquire 100% of the shares of **Recreatiecentrum De Eemhof B.V.,** or ownership of the village buildings, on the 20th anniversary of the sale, i.e. 31 October 2023, for a price of €70 million.

In addition, **PIERRE ET VACANCES** guaranteed to **ZEELAND INVESTMENTS BEHEER B.V.,** for the **duration of the lease,** the payment of the rent due by its operating subsidiary.

Lastly, **Pierre et Vacances** guarantees all obligations of the vendor under the sale contract, which were subscribed by **DN 8 HOLDING B.V**., including all representations and guarantees made to the purchaser.

Person involved:

The person involved in this agreement is Gérard Bremond.

Paris and Paris-La Défense, France, 19 January 2015

The Statutory Auditors

AACE ÎLE-DE-FRANCE French member of Grant Thornton International	ERNST & YOUNG et Autres
Michel Riguelle	Bruno Bizet

3

CORPORATE GOVERNANCE

MANAGEMENT – DIRECTORS

COMPOSITION OF THE BOARD OF DIRECTORS

Name	Function	Date first appointed	End of current term of office	Main function within the Company	Main function outside the Company	Independence criteria(2)	Number of shares held in the Company(3)
Gérard Brémond	Chairman & Chief Executive Officer(1)	03/10/1988	Until the Shareholders' Ordinary Meeting called to approve the financial statements for the year ending 30/09/2015	Chairman & Chief Executive Officer	/	No	10
Olivier Brémond	Director	10/07/1995		/	Company Manager	No	10
Marc R. Pasture	Director	10/09/1998		/	Consultant	No	10
SA S.I.T.I., represented by Thierry Hellin	Director	03/10/2003		Group Deputy CEO	/	No	3,903,548 10
Ralf Corsten	Director	11/03/2004		/	Consultant	Yes	10
GB DÉVELOPPEMENT SAS, represented by Patricia Damerval	Director	10/10/2005		Group Deputy CEO	/	No	10 3,343
Andries Arij Olijslager	Director	06/10/2008		/	Chairman of the Supervisory Board of Heijmans NV and Detailresult Groep NV	No	500
Delphine Brémond	Director	02/12/2008		/		No	10
Martine Balouka-Vallette	Director	02/12/2014		DG Tourism business	/	No	0(4)

(1) The meeting of the Board of Directors held on 20 October 2014 decided to combine the functions of Chairman and Chief Executive Officer.
(2) The criteria set out in the AFEP-MEDEF Code are used to assess the independence of directors. The position of each director with regard to the independence criteria has been examined by the Board of Directors during its self-assessment of the way in which it operates.
(3) Company directors must hold at least ten shares.
(4) In accordance with the Directors' Charter, Martine BALOUKA-VALLETTE has a period of three months to resolve her situation.

The only family relationship between those listed in the above table is a relationship between Gérard Brémond, Olivier Brémond and Delphine Brémond.

To the Company's knowledge, there is no potential conflict of interest between the Company's executives' and directors' duties and their private interests and/or duties.

The Board's Internal Regulations specify that directors must inform the Board of any conflict of interest or potential conflict, and must abstain from any Board meeting vote in relation to any such conflict of interest situation.

In addition, to the Company's knowledge, no executive or non-executive corporate officer has:

- been convicted for fraud during at least the last five years;
- been made bankrupt, placed in compulsory administration or liquidation during at least the last five years;
- been charged for an offence and/or had an official public penalty pronounced against him or her by the statutory or regulatory authorities during at least the last five years.

Finally, to the Company's knowledge, no executive or non-executive corporate officer has been barred by a court from serving as a member of an administrative, management or supervisory body of an issuer or from being involved in the management or conduct of the affairs of an issuer during at least the last five years.

As of the date of this Registration document, no executive or non-executive corporate officer is linked to the Company, or to any of its subsidiaries, by a service agreement.

FUNCTIONING OF THE BOARD OF DIRECTORS

The Company complies with the governance regime applicable in the French Republic.

Moreover, the Company has selected the AFEP-MEDEF Corporate governance code for listed companies, last revised in June 2013, as its benchmark code.

In accordance with the AFEP-MEDEF Code, the Board's Internal Regulations are available on the Company's website.

All information relating to the way the Board of Directors operates appears in the Chairman's report on the organisation of the Board and the internal control procedures (pages 210 to 213 of this Registration document).

TERMS OF OFFICE HELD IN OTHER COMPANIES (OUTSIDE THE PIERRE & VACANCES-CENTER PARCS GROUP) IN THE LAST FIVE YEARS

Gérard BRÉMOND, Chairman & Chief Executive Officer:

Date of birth: 22/09/1937

Business address: L'Artois - Espace Pont de Flandre – 11, rue de Cambrai – 75947 Paris Cedex 19

Mr Gérard Brémond is:

- Chairman and Chief Executive Officer of SA Société d'Investissement Touristique et Immobilier – S.I.T.I.
- Chairman of GB Développement SAS
- Director of Lepeudry et Grimard
- Manager of SCI S.I.T.I. R
- Member of the Supervisory Board of the listed company Maroc Télécom

Mr Gérard Brémond was:

- until 30 April 2010, Director of Vivendi Universal

Olivier BRÉMOND:

Born on 03/10/1962

Business address: Kisan – 125 Greene Street – New York, NY 10012

Mr Olivier Brémond is:

- Director of:
  - SA Société d'Investissement Touristique et Immobilier – S.I.T.I.
  - Kisan Inc. (United States)

Mr Olivier Brémond was:

- until May 2012, Director of Kisan (Iceland)

Marc R. PASTURE:

Born on 19/12/1947

Business address: Wilhelmstrasse 5 AD – 53840 Troisdorf – Germany

Mr Marc Pasture is:

- Chairman of the Supervisory Board of:
  - Comités GmbH (Germany)
- Member of the Supervisory Board of:
  - Maritim Hotelgesellschaft mbH (Germany)
- Director of:
  - Deutsche Auslandsgesellschaft (Germany)
- Member of the Advisory Board of:
  - HDI-Gerling Industrie Versicherung AG (Germany)
  - Odewald & Compagnie (Germany)
  - Hauck & Aufhäuser Privatbankiers GmbH&CoKG (Germany)

Mr Marc Pasture was:

- until January 2010, member of the Supervisory Board of Société de Production Belge SA (Belgium)
- until March 2010, Director of TV Gusto Medien GmbH (Germany)
- until 1 November 2011, member of the Supervisory Board of Sevenload AG (Germany)
- until 12 December 2011, member of the Supervisory Board of Comités GmbH (Germany)
- until 30 September 2012, member of the Supervisory Board of Dolce Media GmbH (Germany)

Thierry HELLIN, Group Deputy Chief Executive Officer[22]

Born on 11/11/1963

Business address: L'Artois – Espace Pont de Flandre – 11, rue de Cambrai – 75947 Paris Cedex 19

Mr Thierry Hellin is:

- Chairman and Chief Executive Officer of SA Lepeudry et Grimard
- Chairman of SAS Compagnie Foncière et Immobilière de la Côte d'Azur – CFICA
- General Manager of SARL Le Duc des Lombards
- Joint General Manager of SARL TSF Jazz

Mr Thierry Hellin was:

- until 12 September 2010, Joint General Manager of SARL Médiason
- until 31 December 2010, Joint General Manager of SARL TSF Côte d'Azur

Ralf CORSTEN:

Born on 21/02/1942

Business address: Hauptstrasse 27 – 82402 Seeshaupt – Germany

Mr Ralf Corsten is:

- Chairman of the Supervisory Board of:
  - Steigenberger Hotels AG (Germany)

Patricia DAMERVAL, Group Deputy Chief Executive Officer[23]

Born on 28/04/1964

Business address: L'Artois – Espace Pont de Flandre – 11, rue de Cambrai – 75947 Paris Cedex 19

Ms Patricia Damerval is:

- Permanent representative of SA S.I.T.I. on the Board of Directors of SA Lepeudry et Grimard

Andries Arij OLIJSLAGER:

Born on 01/01/1944

Business address: Olaxbeheer BV, Postbus 49, NL – 9062 ZH Oentsjerk, the Netherlands

Mr Andries Arij Olijslager is:

- Chairman of the Supervisory Board of Heijmans NV
- Chairman of the Supervisory Board of Detailresult Groep NV

Mr Andries Arij Olijslager was:

- until 31 March 2010, Vice-Chairman of the Supervisory Board of ABNAMRO Holding NV
- until 27 March 2012, Chairman of the Supervisory Board of Eriks BV
- until 31 December 2013, Vice-Chairman of the Supervisory Board of AVEBE UA

Delphine BRÉMOND:

Born on 14/07/1966

Business address:/

Mrs Delphine Brémond is:

- Director of SA Société d'Investissement Touristique et Immobilier – S.I.T.I.

Martine BALOUKA-VALLETTE, Chief Executive Officer, Tourism business:

Born on 19/11/1951

Business address: L'Artois – Espace Pont de Flandre – 11, rue de Cambrai – 75947 Paris Cedex 19

Martine Balouka-Vallette does not hold a term of office in any other company outside the Pierre & Vacances-Center Parcs Group.

SPECIALIST COMMITTEES

The Pierre et Vacances Board of Directors has two permanent specialist committees to assist it: the Audit Committee and the Remuneration and Appointments Committee.

The specialist Committees are composed of members of the Board of Directors. The Board appoints the members and the Chairman of each of the Committees.

The responsibilities and functioning of these specialist Committees in assisting the Board of Directors in its work are stated in the Chairman's report on the organisation of the Board of Directors and internal control procedures (page 212 of this Registration document).

(22) Responsible for Development, Purchasing, Sustainable Development, Legal Affairs, Risk Management, Human Resources, and General Services.

(23) Responsible for Finance, Development, Auditing and Portfolio Management.

THE AUDIT COMMITTEE

This Committee has two members, who are appointed for the duration of their term of office as directors: Andries Arij Olijslager and Ralf Corsten.

The Committee is chaired by Mr Andries Arij Olijslager.

THE REMUNERATION AND APPOINTMENTS COMMITTEE

This Committee has two members, who are appointed for the duration of their term of office as directors: Marc Pasture and Ralf Corsten.

The Committee is chaired by Mr Marc Pasture.

DIRECTORS' INTERESTS

REMUNERATION OF EXECUTIVE AND NON-EXECUTIVE CORPORATE OFFICERS AND OF MEMBERS OF THE GROUP'S EXECUTIVE MANAGEMENT COMMITTEE

Remuneration of executive and non-executive corporate officers is detailed on page 166 "Remuneration of directors and members of the Board of Directors".

Total gross remuneration paid to members of the Group's Executive Management Committee is detailed in the notes to the financial statements (Note 21).

LOANS AND GUARANTEES GRANTED OR ALLOCATED TO MEMBERS OF THE BOARD OF DIRECTORS

No loan or guarantee has been granted by Pierre et Vacances SA to the members of the Group Executive Management Committee or the Board of Directors.

DIRECTOR INTERESTS IN THE CAPITAL OF PIERRE ET VACANCES SA

This information can be found on page 158 "Ownership of share capital and voting rights", on page 204 "Composition of the Board of Directors", as well as on pages 169 to 173 "Share options and bonus share grants".

There is no convention, agreement or partnership between the Company and the members of the Group Executive Management Committee or the Board of Directors concerning a restriction on the sale of their investments within a period of time.

PRIVILEGED INFORMATION – SHARE TRANSACTIONS

Because of the particular knowledge they have of the Company, its plans and its results, the directors are required to exercise strict vigilance in their transactions involving the Company's shares.

The directors undertake to keep, in registered form, throughout their term of office, the shares they acquired when they took up office; they also undertake to register in their name all shares subsequently acquired.

The directors more generally undertake to strictly observe the recommendations of the AMF (French market authority) concerning executive and non-executive corporate officers declaring transactions involving shares in their Company.

In order that Pierre et Vacances SA can itself abide by these AMF recommendations, the directors must declare to the AMF and Pierre et Vacances SA transactions concerning their shares within five days of the transaction. This obligation does not apply when the total amount of transactions performed over the calendar year is lower than €5,000.

Further, the Internal Regulations of the Board of Directors stipulate that, in addition to the period preceding the publication of privileged information to which they are privy, directors must also refrain from any share transactions during the 30 days prior to the publication of the annual and half-yearly results and during the 15 days prior to the publication of the quarterly revenue. They must also abstain from such transactions on the day on which this information is published.

The summary table of trading in the Company's shares referred to in Article L. 621-18-2 of the French Monetary and Financial Code[24], for 2013/2014, appears on page 173.

(24) Trading in the Company's shares by the executives, related persons and their close relatives.

CHAIRMAN'S REPORT ON THE ORGANISATION OF THE BOARD OF DIRECTORS AND INTERNAL CONTROL PROCEDURES

In accordance with Article L. 225-37 of the French Commercial Code, the Chairman of your Board of Directors hereby reports on Board composition and the application of the principle of balanced representation of men and women on the Board, on how the Board prepares and organises its work and on the internal control and risk management procedures applied within the Group.

The Board of Directors, which has been involved in preparing this report, has approved its content, in accordance with the provisions of Article L. 225-37 of the French Commercial Code, at its meeting of 2 December 2014.

OBJECTIVES AND PROCEDURE

The internal control procedures and organisation that follow are intended to identify, prevent and control the risks that the Group faces. Like any control system, it cannot however provide certainty that the risks are totally eliminated. The internal control procedures are mainly aimed at:

- supporting the Group in achieving its strategic and operational objectives;
- protecting the reliability, quality and availability of the financial information;
- protecting the Group's assets, human capital and brands;
- complying with the applicable laws and regulations.

The Chairman has entrusted the Group Executive Management, more specifically, the Deputy Executive Management in charge of Finance, Development, Auditing and Portfolio Management (hereinafter referred to as DGAF), with the management of internal control procedures and the preparatory work and diligence required to produce this report. This report covers the Group's internal control procedures applied to the tourism and property development businesses. This report was drawn up based on interviews with the heads of the various Finance Departments, Group Internal Audit, as well as written information (descriptions of organisational structures and procedures, audit plans, etc.) provided by these departments.

This report describes the internal control procedures and organisation in force during 2013/2014.

GOVERNANCE – COMPOSITION OF THE BOARD OF DIRECTORS – CONDITIONS FOR PREPARING AND ORGANISING THE WORK OF THE BOARD OF DIRECTORS

CHOICE OF CORPORATE GOVERNANCE CODE

In accordance with the provisions of Article L. 225-37 of the French Commercial Code, the Company indicates that it refers to the corporate governance code for listed companies drawn up by the AFEP and the MEDEF, last revised in June 2013. The Code can be consulted on the website of the MEDEF (www.medef.com).

The Code's recommendations are part of the approach to corporate governance taken by the Pierre & Vacances-Center Parcs Group, it being specified that their application must be appropriate for the size and history of the Company.

As regards the "Apply or Explain" rule outlined in Article L. 225-37 of the French Commercial Code and referred to in Article 25.1 of the AFEP-MEDEF code, the Company believes that its practices comply with the recommendations of the AFEP-MEDEF code, apart from the points below:

Proportion of independent directors Article 9.2 of the Code: at least one-third of directors of controlled entities should be independent.	Only one director can be considered to be independent in the sense of the AFEP-MEDEF Code. The Company believes, however, that Marc Pasture and Andries Olijslager are persons from outside the Group whose freedom of judgement is not compromised, despite the fact that they cannot be considered to be independent directors in the sense of the AFEP-MEDEF Code.
Staggering of terms of office Article 14 of the code: Terms of office should be staggered so as to avoid block renewals and to encourage the smooth re-election of directors.	The interplay between various cooptations and appointments over recent years has prevented the organisation of a staggered renewal of terms of office.
Proportion of independent directors within the Audit Committee Article 16.1 of the Code: the proportion of independent directors in the Audit Committee must be at least two thirds.	See above, explanation regarding the percentage of independent directors. In addition, the Chairman of the Audit Committee, who cannot be considered to be independent under the AFEP-MEDEF Code, is assisted in his work by an independent director.
Time-limit for inspection of the financial statements by the Audit Committee Article 16.2.1 of the Code: enough time should be given for the Audit Committee to inspect the financial statements (minimum of two days prior to examination by the Board of Directors).	Since the members of the Audit Committee are non-residents, it is difficult, for obvious practical reasons, to fulfil this requirement. The Audit Committee meeting is, generally speaking, held on the eve of the Board of Directors' meeting. Members of the Audit Committee do, however, have access to all of the documents and disclosures required for them to perform their duties within deadlines allowing them to satisfactorily familiarise themselves with, and examine, such documents and disclosures.
Remuneration Committee Article 18.1 of the Code: It must be (i) composed mainly of independent directors and (ii) chaired by an independent director.	See above, explanation regarding the percentage of independent directors. In addition, the Chairman of the Remuneration Committee, who cannot be considered to be independent in the sense of the AFEP-MEDEF Code, is assisted in his work by an independent director.
Remuneration of executive corporate officers Article 23.2.1 of the Code: executive corporate officers shall retain a significant number of registered shares, to be set periodically by the Board of Directors, until the end of their term of office.	Gérard Brémond owns 44.25% of issued capital *via* his asset holdings.

COMPOSITION AND FUNCTIONING OF THE BOARD OF DIRECTORS

The Board of Directors of Pierre et Vacances SA has nine members, one of whom is classed as an independent director in accordance with the criteria given in the AFEP-MEDEF Code.

A table summarising the information provided on the composition of the Board of Directors and a list of the terms of office held in other companies is given on pages 204 to 206 of the Registration document.

The term of office of directors is three years. Each of the directors was re-elected or appointed until the end of the Shareholders' Ordinary Meeting to approve the financial statements for the financial year ending 30 September 2015.

The meetings of the Board of Directors are scheduled on an annual basis. This schedule is adjusted and supplemented, if applicable, by additional meetings as and when the directors need to be consulted.

During the financial year ended 30 September 2014, the Board of Directors met eight times, with an overall attendance rate of 83.33%. The average duration of each meeting was two hours and allowed examination and detailed discussion of the items on the agenda. Meetings of the Board of Directors are called by the Chairman. Documentation relating to agenda items is included with the meeting notice sent to each member of the Board of Directors in advance of Board meetings to allow them to prepare for discussions. The Chairman ensures that the directors receive all the information they require to perform their duties, in particular by the attendance of operational managers to present their activities and main results during meetings of the Board of Directors. Minutes of meetings of the Board of Directors are drawn up after each meeting and approved at the next meeting.

In accordance with Article L. 823-17 of the French Commercial Code, the Statutory Auditors were invited and attended Board Meetings held to examine and close the annual and half-yearly financial statements.

Meetings of the Board of Directors are usually held at the registered office or at any other venue as permitted by the articles of association. According to the provisions of Article L. 225-37, paragraph 3 of the French Commercial Code, directors also have the option to take part in the deliberations of the Board via videoconference or other methods of telecommunication. This option was used four times during the 2013/2014 financial year. In general, after the Board has reviewed and approved the minutes of the previous meeting's deliberations and decisions, the members discuss the items on the agenda. The discussions are organised and directed by the Chairman. He ensures that the Board examines all items on the agenda.

The Board of Directors has adopted a Directors' Charter and Internal Regulations governing how it functions and a Code of Conduct for directors with regard to their office. These rules incorporate a number of legal requirements along with provisions designed to reinforce directors' independence of action and judgement in relation to the Company and to enhance control of the Company.

The Board of Directors amended its Internal Regulations on 6 March 2012 to incorporate a definition of the "blackout periods" for directors trading in Company shares, pursuant to the AMF recommendations on the prevention of insider misconduct.

The Board's Internal Regulations specify that the Board should carry out an annual appraisal of its operations. The functioning of the Board is governed by the Company's articles of association, some of the main points of which were amended by the Shareholders' Combined Ordinary and Extraordinary Meeting of 11 March 2004 and by the Shareholders' Combined Ordinary and Extraordinary Meeting of 14 February 2008 (reducing directors' terms of office from six to three years; prohibiting the appointment of directors aged over 70 (versus 75 previously) if the appointment means that the proportion of Board members aged over 70 would exceed a third of the total number; authorising directors to participate in Board meetings using video-conferencing or telecommunication facilities) and by Articles L. 225-17 *et seq.* of the French Commercial Code.

In accordance with its Internal Regulations, once a year, the Board of Directors' agenda includes an assessment of the Board's work and the operation of the Board is discussed. In 2014, the annual assessment was conducted using a questionnaire, and was debated at the Board meeting of 2 December 2014.

The set of rules of governance that have been put in place by the Group makes it possible to ensure – amongst other things – that S.I.T.I. SA does not abuse its powers of control:

- the Group Executive Management Committee includes executives mostly from Pierre & Vacances and Center Parcs structures;
- the other Committees include operational staff from Pierre & Vacances and Center Parcs ensuring that decisions are shared.

APPLICATION OF THE PRINCIPLE OF BALANCED REPRESENTATION OF WOMEN AND MEN ON THE BOARD OF DIRECTORS

The Company already fulfils the first stage necessary for the balanced representation of women and men on Boards of Directors in application of the Law of 27 January 2011[25].

(25) The law of 27/01/2011 set a threshold of 20% representation of both genders to be achieved by the end of the first Shareholders' Ordinary Meeting held after 01/01/2014.

ROLE OF THE BOARD OF DIRECTORS

The Board of Directors determines the Company's key strategies and ensures their proper implementation and execution. The Board of Directors is briefed at least once a quarter on the activities of the Group's tourism and property development businesses, and examines the strategic aims of each business. It is regularly informed of the Group's revenue, the progress of significant operations and trends in the Group's markets. The Board approves significant changes to the Group's legal structure and major external and internal growth operations (acquisitions, launch of major property development programmes, property deliveries, etc.). Prior approval is required for transactions involving external financing, except in the case of normal property financing transactions that are not backed by guarantees issued by the parent company. Also, in accordance with the provisions of Article L. 225-35 of the French Commercial Code, any issuing by the Company of sureties, pledges or securities must be authorised in advance by the Board of Directors.

During the financial year ended 30 September 2014, the Board of Directors met on eight occasions. In addition to examining the annual and half-yearly financial statements and examining the activity and results of the tourism and property business segments, the main items of business reviewed were property transactions, developments (Villages Nature, Center Parcs mid-size, Morocco, China), corporate governance (distribution of directors' attendance fees, self-evaluation by the Board of Directors), performance-based share allocations, briefings on the WIN plan and the refinancing of the Group.

COMMITTEES CREATED BY THE BOARD OF DIRECTORS

The Board of Directors has two permanent specialist Committees to help it prepare its decisions effectively: The Audit Committee and the Remuneration and Appointments Committee.

The specialist Committees are composed of members of the Board of Directors. The Board appoints the members and the Chairman of each of the Committees.

The Audit Committee

The Audit Committee has two members (Board members without operational functions), one of whom is independent according to the AFEP-MEDEF criteria. These members have the required skills in accounting, finance, internal control and risk management.

The Committee assists the Board in examining and approving the annual and half-yearly financial statements and, occasionally, with all operations or events that could have a significant impact on the situation of the Group, or its subsidiaries, in terms of commitments and/or risk.

In accordance with Article L. 823-19 of the French Commercial Code, and without prejudice to the authority of the Board of Directors which it does not replace, the Audit Committee is in particular responsible for monitoring the following issues:

- the process of preparing financial information;
- the efficiency of internal control and risk management systems;
- the legal control of the annual financial statements and consolidated financial statements by the Statutory Auditors;
- the independence of the Statutory Auditors.

In order to carry out its duties, the Audit Committee has access to all accounting and financial documents. It interviews those in charge of preparing the financial statements and the Statutory Auditors in order to obtain assurance that the latter have had access to all the information required to perform due diligence.

During the 2013/2014 financial year, the Audit Committee met twice (in December 2013 and May 2014), to examine the 2012/2013 financial statements and the half-yearly financial statements at 31/03/2014.

The Remuneration and Appointments Committee

The Remuneration and Appointments Committee has two members (Board members without operational functions).

The Remuneration and Appointments Committee is responsible for presenting proposals or recommendations to the Board of Directors relating in particular to:

- the global remuneration policy of the Company's executive and non-executive corporate officers;
- the type and method for calculating the remunerations of these executives after comparison with the practices observed in other companies;
- share options or bonus share grants;
- the appointment of directors and the opportunity to renew terms of office;
- and, generally, any question submitted to it by the Chairman or Board of Directors regarding the remuneration of executives and the composition of the Board of Directors.

The Remuneration and Appointments Committee met twice in the 2013/2014 financial year. During these meetings, the Remuneration and Appointments Committee worked on variable remuneration for eligible employees and the allocation of performance shares.

POWERS OF THE EXECUTIVE MANAGEMENT

The meeting of the Board of Directors held on 20 October 2014 decided to combine the functions of Chairman and Chief Executive Officer.

Since 20 October 2014, Gérard Brémond has been Chairman & Chief Executive Officer, for the duration of his term of office, i.e. until the end of the Meeting held to approve the financial statements for the financial year ending 30 September 2015.

Powers of the Chairman of the Board of Directors

As Chairman of the Board of Directors, Mr Gérard Brémond organises and oversees the work of the Board of Directors and reports to the Shareholders' Ordinary Meeting. He ensures that the Company's corporate decision-making bodies operate effectively and in particular that the directors are in a position to fulfil their duties.

Powers of the Chief Executive Officer

As Chief Executive Officer, Gérard Brémond is vested with full powers to act on behalf of the Company in all circumstances. He represents the Company in its relations with third parties. No limitation has been placed on the powers of the Chief Executive Officer. However, these powers are subject to the limits of the company purpose and the powers explicitly allocated by the law to shareholder meetings and the Board of Directors.

OTHER DECISION-MAKING BODIES

The "Société d'investissement Touristique et Immobilier" brings together the principal Managers of the Pierre & Vacances-Center Parcs Group. As part of its management activities, S.I.T.I. makes them available to the Group. As such, these executives are included on the Management Committees described below.

CDG: GROUP EXECUTIVE MANAGEMENT COMMITTEE

The Group Executive Management Committee has four members: the Chairman, the Chief Executive Officer and the two Group Deputy Chief Executive Officers.

Since the meeting of the Board of Directors held on 20 October 2014, Gérard Brémond has been in the position of Chairman and Chief Executive Officer. The newly-appointed Chief Executive Officer of the Tourism business segment is part of the Group Executive Management Committee.

The Committee meets once a week and decides on the strategic guidelines that need to be implemented to enhance the Group's operational performance, such as major financial balances (revenue, profit (loss), cash flow, data consolidation, etc.), consolidated risk management, brand strategy, product segmentation, the geographical spread of the development zones for the various brands, human resources. This Committee is also in charge of anticipating future changes in the Group's businesses, strategic planning and developing internal synergies within the Group.

GROUP EXECUTIVE COMMITTEE (COMEX)

The Group's Executive Committee meets once a month. The Committee has thirteen members and comprises the Group's Chairman, the Chief Executive Officer, the two Group Deputy Chief Executive Officers, the Chief Executive Officers of Pierre & Vacances Développement and Pierre & Vacances Conseil Immobilier, the Chief Executive Officers of Center Parcs Europe and Pierre & Vacances Tourisme, the Chief Executive Officer of Adagio, the Deputy Chief Executive Officer responsible for Tourism Sales, the Operational Innovation and Information Systems Director, the Group's Finance Director for Operations and Services and the Human Resources Director. This Committee steers the implementation of the "WIN" plan and decides on major operational initiatives required to enhance Group development and performance.

Following the decisions taken at the meeting of the Board of Directors held on 20 October 2014, the Chief Executive Officer of the Tourism business segment is now part of this Committee, along with the Deputy Chief Executive Officer of Adagio (who replaces her in her previous roles).

TOURISM PERFORMANCE COMMITTEE

The Tourism Performance Committee meets twice a month. This Committee has seven members and comprises the Chief Executive Officer, the Chief Executive Officers of Center Parcs Europe and Pierre & Vacances Tourisme, the Deputy Chief Executive Officer responsible for Tourism Sales, the Strategic Marketing Director, the Chief Executive Officer for Tourism Spain, the Group's Finance Director for Operations and Services, the Human Resources Director and the Portfolio Management Director (the last three upon invitation). The Committee decides on the initiatives necessary to enhance the development and performance of the Tourism business.

Following the decisions taken at the meeting of the Board of Directors held on 20 October 2014, the Chief Executive Officer for the Tourism business segment shall chair this Committee.

GROUP DEVELOPMENT COMMITTEE

The Group Development Committee, comprising the Chairman, Chief Executive Officer, two Group Deputy Chief Executive Officers and the Development Manager, meets each week in order to decide on development projects.

Since the meeting of the Board of Directors held on 20 October 2014, Gérard Brémond has also been the Chief Executive Officer. The Chief Executive Officer for the Tourism business segment is part of this Committee.

ADAGIO DEVELOPMENT COMMITTEE

The Development Committee meets once a month to examine all the Adagio development projects. The Adagio team presents the projects that are being studied by this Committee, which includes representatives of the Pierre & Vacances-Center Parcs Group (Chairman, Chief Executive Officer and Development Manager) and Accor (Chief Executive Officer for Hotel Development and his Deputy Chief Executive Officer).

Since the meeting of the Board of Directors held on 20 October 2014, Gérard Brémond has also been the Chief Executive Officer. The Chief Executive Officer for the Tourism business segment is part of this Committee.

PROPERTY DEVELOPMENT COMMITTEE

The Property Development Committee meets twice a month. This Committee consists of the Chairman and Chief Executive Officer, the main executives of the property development business segment (Pierre & Vacances Développement and Pierre & Vacances Conseil Immobilier), the Development Manager, the Manager of the Treasury/Finance business segment and the Director representing the Tourism businesses. The Committee is responsible for launching and monitoring property development programmes (studies, marketing, construction starts, issues related to construction progress, sales formulae, potential disputes, etc.).

Since the meeting of the Board of Directors held on 20 October 2014, Gérard Brémond has also been the Chief Executive Officer.

LARGE PROPERTY DEVELOPMENT PROJECTS MONITORING COMMITTEE

The Large Property Development Projects Monitoring Committee was created in the second half of the 2011/2012 financial year, and met for the first time in September 2012. It meets every six weeks and consists of the Chief Executive Officer, the Deputy Chief Executive Officer in charge of Finance, Development, Auditing and Portfolio Management, the Chief Executive Officer of Pierre & Vacances Développement, the Directors and managers of the relevant Property Programmes, the Directors of the Pierre & Vacances & Center Parcs Business Lines, the Property Operational Finance Manager. The Committee is informed of the progress of the programmes monitored and makes the necessary decisions to control the cost price of each large development project and the effective date for delivery to Tourism.

From October 2014, the Deputy Chief Executive Officer in charge of Finance, Development, Auditing and Portfolio Management has chaired this Committee, which the Chief Executive Officer for the Tourism business segment will also join.

"LES SENIORIALES" STRATEGIC COMMITTEE

The "Les Senioriales" Strategic Committee meets once a month. This Committee includes the Chairman, the Chief Executive Officer, the Chief Executive Officer of Pierre & Vacances Développement, the Development Director and the Chief Executive Officer of Les Senioriales. It provides updates on the business and current projects, and authorises land purchases.

MANAGEMENT BOARD AND SUPERVISORY BOARD OF CENTER PARCS EUROPE

The two corporate governance bodies of Center Parcs Europe NV, a Dutch company, are the Management Board and the Supervisory Board.

The Management Board of Center Parcs Europe NV has three members: the Chief Executive Officer, the Deputy Chief Executive Officer and the Group Finance Director for Operations and Services. The Management Board is required to comply with the instructions issued by the Supervisory Board in terms of the Company's financial, social and economic strategy. The Supervisory Board, consisting of three members (one of which is not executives of the Group), is specifically responsible for supervising more closely and advising the Management Board on a more regular basis. The Supervisory Board oversees the Management Board and the general conduct of the Company's business. It generally meets four times a year.

SPECIAL PROCEDURES FOR THE INVOLVEMENT OF SHAREHOLDERS IN THE SHAREHOLDERS' ORDINARY MEETING

Detailed information on special procedures for the participation of shareholders in Shareholders' Ordinary Meetings is provided in the Company's articles of association (Section V – Shareholders' Ordinary Meetings) and is also summarised on page 147 of this Registration document.

According to Article 16 of the articles of association, any shareholder, irrespective of the number of shares they hold, is entitled, on proving their identity and shareholder status, to participate in Shareholders' Ordinary Meetings subject to book-entry of their shares at midnight (Paris time) at least two working days before the Shareholders' Ordinary Meeting. The recording or entry in the books of bearer shares held by an authorised intermediary is proven by a certificate of participation issued by the latter in accordance with legal and regulatory provisions.

REMUNERATION OF THE EXECUTIVE AND NON-EXECUTIVE CORPORATE OFFICERS

The company selected the AFEP-MEDEF Code, last revised in June 2013, as its benchmark code. Within the context of the "Comply or Explain" rule laid down in Article 25.1 of the AFEP-MEDEF Code, the Company believes that its practices comply with the recommendations of said Code with the exception of the points mentioned on page 201 of this Registration document.

The executive and non-executive corporate officers whose remunerations are detailed in the Board of Directors' report to the Shareholders' Ordinary Meeting receive fixed and variable remuneration in accordance with their employment contract with S.I.T.I.[26].The determination of the variable remuneration is linked to the financial performance of the Pierre & Vacances-Center Parcs Group and the attainment of personal targets. They can be allocated options to subscribe for or purchase shares and be granted bonus shares in accordance with financial performance criteria.

There are no additional pension schemes specific to executive and non-executive corporate officers. They receive, in accordance with their contract of employment with S.I.T.I., an end-of-service lump sum payment calculated on the basis of the rules applicable to all salaried employees.

All of these rules apply to all members of the Executive Management Committee/COMEX.

(26) The Chairman and Chief Executive Officer has no employment contract with S.I.T.I., nor with any of the Pierre & Vacances-Center Parcs Group companies.

INTERNAL CONTROL PROCEDURES

Internal control procedures extend to all of the Group's business activities and are designed to provide a reasonable assurance, but not certainty, that risk factors are well managed and that the Group's objectives are being achieved.

OVERVIEW OF PROCEDURES

Board of Directors

The Board of Directors has a two-fold responsibility:

- as a **corporate body of the parent company of the Group**, it takes decisions which lie beyond the sole control of the parent company's executive and non-executive corporate officers (pledges and securities, granting share options, preparing the yearly corporate and consolidated financial statements, etc.) and, in pursuance of these decisions, grants them special limited powers;
- as the **Group's supervisory body,** the Board is responsible for appointing and supervising the executive and non-executive corporate officers of the parent company and indirectly oversees the principal subsidiaries, which regularly report to it on the activities of the tourism and property development businesses in particular.

Committees

The Committees (Executive Management Committee, COMEX, Tourism Development and Performance Committee, Property Committee, Adagio Development Committee, "Les Senioriales" Strategic Committee, Large Property Development Projects Monitoring Committee) are chaired by a member of the Executive Management Committee. Those Committees allow this member to supervise the actions of the management bodies of the Group's subsidiaries and corporate departments before, during and after important decisions are implemented, and to monitor the Group's day-to-day business.

Corporate Departments

A number of the Pierre & Vacances-Center Parcs Group's corporate departments have been assigned internal control responsibilities. This is the case in particular for the Group Internal Auditing and the Finance Department for Operations and Services, which are part of the DGAF, as well as the Legal Department, Insurance and Risk Management Department and the Human Resources Department, which are part of the Deputy Executive Management.

in charge of Legal Affairs (hereinafter the DGAJ). These corporate departments are centralised at the Group's Paris office and the two above-mentioned Deputy Executive Management Departments report to the Chief Executive Officer of the Pierre & Vacances-Center Parcs Group.

From October 2014, both Deputy Chief Executive Officers directly report to the Chairman and Chief Executive Officer of the Group.

Their responsibilities include:

- checking the correct application of policies (financial, legal, sustainable development, purchasing, human resources, etc.) defined at Group level, within the subsidiaries and operational departments of the Pierre & Vacances-Center Parcs Group;
- implementing joint action on behalf of the subsidiaries and departments, each in its area of competence and in close liaison with the teams of the subsidiaries and departments (e.g.: covering the risks, drafting contracts or approving them, recording accounting transactions, drafting collective working agreements, etc.);
- assisting operational managers, where required, on subjects falling under their respective areas of expertise;

Centralising these functions within departments that are independent of the business segments allows the Group to enhance controls and reduce risk exposure, while ensuring that Group policies are applied consistently.

Summary of delegation and internal control structure

This structure is based on:

- a legal arrangement for each entity: **a holding company controls all of the legally independent subsidiaries, under a "flattened" organisation:**
  - with their own "business" Chief Executive Officers,
  - supervised by the Group Chairman (or by the Chief Executive Officer),
  - whose corporate governance bodies, where such exist (depending on the company's legal form), are made up of executives from outside the business segment in question, in order to ensure optimum consultation, coordination and control by the parent company,
  - whose legal matters are managed centrally by the Group Legal Department;
- **of an organisation which centralises** the means to support and monitor activity within the Group's corporate departments, comprising:
  - the Deputy Executive Management in charge of Finance, Development, Auditing and Portfolio Management,
  - the Deputy Executive Management in charge of Development, Legal Affairs, Sustainable Development, Human Resources and Purchasing.

This organisation ensures that policies and procedures are consistently applied across the Group, while allowing a high level of delegation of day-to-day responsibilities. Because the Company is organised by legal entity, a formal delegation scheme has been put in place by which each operational manager is given both the resources and personal responsibility for his actions.

The operational business segments are as follows:

- **the Tourism business segment** (led by the Chief Executive Officer of the Group, then, from October 2014, by the Chief Executive Officer of the Tourism business segment) is responsible for the following:
  - three General Operational Departments:
    - General Pierre & Vacances Tourism Department (Pierre & Vacances, Maeva, Pierre & Vacances premium label brands),
    - General Center Parcs Europe Department (France, Belgium, Germany and the Netherlands/brands: Center Parcs and Sunparks),
    - Adagio Deputy Executive Management (Adagio and Adagio Access brands) which reports its results to the Adagio Board of Directors,
  - a Deputy Executive Management in charge of Tourism Sales responsible for setting out the multi-channel distribution strategy (in particular the Internet strategy) for all of the Group's brands and markets.
  - the Group's Operational Innovation and Systems Information Department (DIOSI), which is also responsible for transforming the Group's processes and operating modes;
- **property development companies:**
  - Pierre & Vacances Développement (Development and construction),
  - Pierre & Vacances Conseil Immobilier (Marketing of property development projects),
  - Les Senioriales;
- **Morocco and Spain:**
  - Executive Management – Morocco,
  - Executive Management – Spain.

3

RISK MANAGEMENT

The principal risks, their management and their coverage are outlined in the risk management section of the corporate governance part of the Registration document. Owing to the nature of its business, the Group mainly monitors risks related to the seasonal nature of its business, construction risks, and risks related to the stock of residences being marketed, receivables and rental commitments. The Group has implemented a market risk hedging and monitoring policy to manage its liquidity and interest rate risks.

The Group Legal Department is centralised and reports to the Group Deputy Chief Executive Officer in charge of Development, Legal Affairs, Human Resources and Sustainable Development in order to coordinate risk management. It intervenes upstream to secure the Group's legal commitments and monitors disputes involving all of the operational subsidiaries. A Risk Manager is responsible for handling insurance at Group level (including Center Parcs Europe) in order to optimise risk management (conservation/externalisation) and oversee the declarations of risks and claims.

From an operational point of view, the Operational Management of Center Parcs Europe and Pierre & Vacances Tourisme contain experts dedicated to operational safety (water quality, fire prevention, etc.) coordinate health and safety policy on sites for all customers and employees and takes all actions necessary (Training, operational audits, Crisis management). Group Internal Auditing, in partnership with the Legal Department, monitors the mapping of Group risks.

As part of its task, interviews took place with key people in the Group in order to get an idea of the perception of risks within the Group.

The risks listed were assessed in terms of impact, frequency and level of control.

The Group is making its best efforts to work as a priority on the main potential risks by improving its level of control by implementing action plans. During the 2013/2014 financial year, the mapping was updated and management objectives were set to reduce the Group's exposure to the main risks identified.

DESCRIPTION OF THE INTERNAL CONTROL PROCEDURES TO PRODUCE FINANCIAL AND ACCOUNTING INFORMATION

The DGAF carries out the main internal control tasks relating to the preparation of financial and accounting information, primarily through its Internal Audit Department and the Finance Department for Operations and Services. A body of procedures and practices has been defined to ensure that action is taken to control risks which could have a material effect on the Group portfolio or adversely affect its ability to achieve its corporate objectives.

Organisation of the DGAF's finance departments

The DGAF is responsible for central and operational management functions within a framework of delegated responsibilities for each business.

The central functions include the holding functions, which are: financial communication and strategic operations, consolidation (accounting and management) and those generated for the whole Group: taxation (existence of a tax group), cash flow and finance management (existence of a cash flow agreement), internal audit, development and Strategic Planning Management, Group portfolio management.

Management control and accounting tasks are more devolved within the tourism and property development businesses.

"Central" corporate functions

Group Internal Auditing: this Department, reporting jointly to the Group Executive Management and the DGAF, was created in the 2009/2010 financial year in order to strengthen the effectiveness of the internal control system. This Department operates in the Group's various business segments, within the framework of an annual audit plan and through periodic assignments at the request of the "Group Executive Management".

The Group's **Financial Communication and Strategic Operations Department** supervises the Group's external communication. It also performs this role directly with financial analysts, investors and shareholders. It also controls and approves all financial information and press releases issued by the Corporate Communication Department and by the Tourism and Property Development Operational Departments, and ensures the overall coherence of financial information disclosures. This Department is also responsible for all of the Group's strategic equity financing transactions (capital increase, bond issue with capital component, etc.).

The **Group Consolidation Department** is responsible for preparing, analysing and publishing the consolidated financial statements (financial and management accounts). It formulates the Group's financial and management principles and ensures compliance with the accounting procedures. Consolidated financial statements are prepared each quarter, enabling the alignment of accounting transactions and management, thereby providing an additional assurance on the quality and reliability of financial information.

The **Group Tax Department** supervises and coordinates the Group's specific tax policies in each of the countries in which the Group operates (France, the Netherlands, Germany, Belgium, Italy and Spain). It is directly responsible for the Group's tax consolidation in France and functionally supervises the work of the teams of the Accounting Department of the Tourism and Holding entities located in the Netherlands and Germany, and which supervise the tax entities located in the Netherlands, Germany and Belgium. The Group Tax Department advises and assists the operating departments in all issues relating to tax law.

The **Group Treasury/Financing Department** manages the subsidiaries' cash positions through a central cash pooling structure. It is responsible for structuring Group financing and hedging interest rate risks using derivatives. It decides upon the distribution of the cash/debt position between banks, organises invitations to tender on behalf of the Group and ensures the consistency of information published in its scope of activity.

The **Portfolio Management Department** acts as the liaison between the owners and all of the Group Operational Departments for all issues relating to leases and property management of the owners' portfolio. It brings together all the teams and functions dedicated to management of relationships, contracts and properties with regard to owners and multiple owners.

The **Group Development Department** is responsible for external growth operations, acquisitions of property assets (mainly holiday residences), business goodwill, asset disposals and relationships with institutional lessors/owners.

The **Strategic Planning Department** coordinates all of the projects for development of Center Parcs in Europe. This function covers the development strategy, market analysis, business plans, the structuring of financing for projects in Belgium, the Netherlands and Germany, as well as the coordination of scheduling by the Project Committees.

"Operational" functions

In order to best meet the expectations of the Operational departments, the finance functions are organised as follows: an Operational Finance function for Property development and a Group Operational Finance function for the Tourism business segment.

Tourism & Holding companies

The Tourism business of the Pierre & Vacances-Center Parcs Group, under the responsibility of the Chief Executive Officer (subsequently the Chief Executive Officer of the Tourism business segment since the end of October 2014), are organised around two Business Lines: a tourism France Business Line and a center Parcs Europe Business Line. In addition to these Business Lines there is a Deputy Executive Management in charge of Tourism Sales.

To monitor all of the Group's Tourism business, the Operational Finance Department is organised according to two business segments: a business segment based in Paris to support the Tourism France Business Line and a business segment based mostly in Kempervennen in the Netherlands to support the Center Parcs Europe Business Line. These teams monitor commercial activity (price, volume, channels, etc.) alongside the General Sales Department for the Business Lines. The Operational Finance Department teams also provide financial monitoring for tourism business in Spain.

The Tourism and Holding Company Accounting Department is divided into two teams:

- a team based in France, itself split into three main departments: accounting services, financial management of owners, sales administration. The accounting services bring together three business segments: supplier accounts, banking accounts and general accounts. Financial Management of owners has evolved and now includes (as of October 2014) within the same department Co-ownership and Multi-ownership Services, database management (leases, owners), financial relations with owners and co-owners, rentals department (receipting and payment of rents). This department also manages the inventory of accommodation units to be marketed by Tourism France. Sales administration is responsible for invoicing, collection, payment reminders, customer account management, prevention and management of customer risks, management of disputes and processing refund claims for direct customers (call centres, Internet, etc.) and indirect customers (tour operators, travel agents, works councils, etc.). Sales administration is also responsible for keeping accounts for sales made at the various sites (management of cash received and reminders);
- a team based in Kempervennen, in the Netherlands, responsible for the Center Parcs business in Belgium, the Netherlands and Germany. The Center Parcs business in France is now managed by the France-based team.

Property development

The organisation of the Accounting Department and the Operational Finance Department allows each Programme Manager or Service Manager to work with a single contact within their field of responsibility.

The SAP accounting tool is used for the whole Group.

Duties of the Group's financial departments

Group Internal Audit

Group Internal Audit manages and coordinates all of the audit tasks to be carried out as part of the annual audit programme each financial year. The tasks and themes dealt with may affect all of the Group's businesses and subsidiaries.

The Operational Finance Department actively participates with the Group Internal Auditing and Operating Control in financial audit tasks, but also social and regulatory audits of tourism operations related to holiday residences. These audits are mainly carried out on the operating sites (residences or villages from all the brands). In addition, the Operational Finance Department issues and distributes procedures aimed at limiting the risks of financial losses on-site. The main aim of the on site audit missions is to ensure that procedures are correctly applied, but also, working closely with the Human Resources Department, to ensure that social obligations and labour laws concerning advertising, keeping of registers, etc. are correctly applied.

The main areas of risk covered by the internal audit are:

- ensuring that revenue generated on-site is reported correctly and is optimised. It verifies that services provided have been invoiced correctly. Checks are also made on the correct application of pricing terms and justification of any discounts given. Finally, revenue deletions and reimbursements are traced and analysed;
- the security of property and financial assets. As such, the audit verifies in particular that proper security procedures are deployed on each site to protect cash receipts and deposits. Checks are also made on bank deposits to ensure their accuracy and consistency;
- collection and level of payments outstanding from customers. To ensure optimum recovery, many points are examined: production and strict application of standardised contracts for the groups and seminars, reminders to debtors according to the deadlines given, collection of guarantee deposits, proper recording of client addresses;
- purchasing flows; approval of suppliers as part of the Group's common purchasing policy and its application. The validation of order forms, receipts and payment authorisations also receives particular attention during these audits.

The sites audited are either selected by Group Internal Audit at random or according to their profile (holiday villages have greater risk exposure than small residences) or in response to specific requests from Executive Management. A strengthened programme is in place for the Center Parcs villages, given their particular business volume: performance of a complete audit every two years followed by a re-audit in six months, as well as an "unannounced inspection" from the Group Internal auditing Department, or a specialised company; these visits may be of a preventive nature or take place in response to suspicions of fraud.

Group Internal Audit also carries out audits on specific subjects (application of ISO 14001 environmental management standard, compliance with procedures, etc.).

At the end of each audit assignment, audit reports are drawn up and submitted to the audited sites, to Executive Management and to the external auditors for the larger sites. An action plan is drawn up in collaboration with the site managers concerned and follow-up assessments are performed within a maximum of six months of the initial audit to ensure that the report's recommendations have been applied.

Theft and fraud prevention procedures have been put in place. These procedures include, for the Center Parcs villages, a quarterly self assessment questionnaire for each village covering the key control indicators. Visits by the Internal Audit Department to villages also allow them to check whether these questionnaires are accurate.

The Operational Finance Department

The Operational Finance Department supervises and measures the economic performance of the Group's various businesses. It translates the financial objectives of the Group and of each business into operating targets, controls and measures their achievement via the reporting system, and proposes any corrective action necessary. It is responsible for the budgeting process, business forecasts and medium-term operating profit (loss). Generally, the Operational Finance Department assists operational departments on all financial matters: simulations, calculations (pricing policy, specific actions...) and ensures the synthesis of the Group's financial performance. It takes part in monthly Business Reviews within the Tourism business segment, which bring together, in addition to the General Group Management (then as of the end of October 2014, the Executive Management of the Tourism business segment), the DGAF, the Operational Finance Department, the Business Lines, the General Sales Department.

It also advises on development issues, both in France and worldwide (business plans, profitability simulations on new and renovated property programmes) and on the renewal or creation of leasing formulae or on the reorganisation and rationalisation of the operating businesses.

Lastly, the Operational Finance Department actively participates in designing and implementing new front- and back-office tools.

The Accounting Department

The Accounting Department ensures the Group's accounting rules are correctly applied throughout the Group. Checks on the production of accounting information are made at the level of each "organisational sub-group" by teams working in close collaboration with the management control department. The checks are carried out for each residence/village, then for each combined region; a check is also carried out by the corporate departments of the registered office which consolidate these data for each legal entity, then for each country in which the Group operates.

These checks are supplemented by horizontal accounting checks on revenue, cash flows, suppliers, rental commitments, etc.

In addition to its role in producing accounts, the accounting function's role is to support operational managers in providing financial information, and it takes part in implementing administrative and sales IT tools.

Quarterly financial statements are prepared for each entity, for cross checking management reporting. At Center Parcs villages, financial accounts are closed on a monthly basis.

The Operational Finance and Accounting Departments are jointly responsible for planning and organising the financial reporting cycle. To this end, they issue procedural notes and prepare detailed reporting schedules. They provide weekly updates on account closures and validate accounting information as it is made available. They are also responsible for the overall analysis of accounting data in relation to the latest forecasts and budgets.

Reporting system

The operations monitoring and control process is built upon a medium-term business plan, budget planning, re-forecasting and the reporting cycle for all of the Group's activities.

The five-year strategic business plan setting out the Group's strategy is usually produced in July and updated during the year in order to ensure consistency between short and medium-term objectives. This plan takes into account the Group's strategic objectives and developments and includes projections based on future property developments and on reworks and renovation of assets, pricing trends and forecasts for occupancy rates. The first year of this business plan is used to define, at the end of July, a budgetary framework for the next financial year.

The budgeting process is organised and supervised by the Operational Finance Department in coordination with the businesses and Operational Departments. It has three phases:

- the pre-budget makes it possible for Property Development to identify the programmes and corresponding margins and for the tourism business to estimate the revenue by season and by brand from the development of the offering, the sales strategy and the operational expenses (advertising, personnel, rent, etc.) according to the assumptions of distribution policies, investment plans, salary policy, indices;
- the framework refines the pre-budget assumptions, in particular for all of the personnel structures and on the tourism businesses through operator validation of the sales targets, variable expenses, and additional revenue streams on each site;
- the budget, finalised in September, consolidates all the assumptions validated for each property development programme and for sites that are already operational. Approved by Group Executive Management, it is broken down on a monthly basis to use as a reference for Group reporting and is sent to each of the operating entities.

Regular reforecasts for all businesses mean that the budget for the year can be revised in light of achievements to date.

In addition to this regular monitoring, the Operational Finance Department also provides tailor-made reporting solutions for each business line, which are analysed at monthly operational reviews and sent to the Group Executive Management.

- Weekly monitoring of tourism reservations enables the General Tourism Department, the General Sales Department and the Business Lines to optimise the sales policy and yield management, as well as allowing operators to adapt the organisation of operating sites in line with occupancy forecasts.
- Site operating expense reports are compared each month with monthly budgets and actual results recorded the previous year and given to the Business Line Managers and to the various operating managers in the regions concerned. These reports are also reviewed with the Business Lines. Marketing budgets and general expenses are also monitored on a monthly basis.
- Budgets for property development programmes are reviewed and revised each quarter with the relevant property Programme Manager.
- For the marketing of properties, the number of signed sales, advertising, marketing and sales expenses and general overheads are reviewed twice a month and examined in conjunction with the Sales Manager and the Marketing Manager.

STATUTORY AUDITORS' REPORT, PREPARED IN ACCORDANCE WITH ARTICLE L. 225-235 OF THE FRENCH COMMERCIAL CODE, ON THE REPORT BY THE CHAIRMAN OF THE BOARD OF DIRECTORS OF PIERRE ET VACANCES

Financial year ending 30 September 2014

To the Shareholders,

As the Statutory Auditors of Pierre et Vacances and pursuant to the provisions of Article L. 225-235 of the French Commercial Code, we present our report on the report prepared by the Chairman of your company in accordance with the provisions of Article L. 225-37 of the French Commercial Code for the financial year ended 30 September 2014.

It is the Chairman's responsibility to prepare and submit for the approval of the Board of Directors a report on the internal control and risk management procedures in place within the Company and containing the other information required by Article L. 225-37 of the French Commercial Code on the corporate governance system.

It is our responsibility to:

- report to you our comments on the information contained in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information;
- certify that this report contains the other information required by Article L. 225-37 of the French Commercial Code. It is not our responsibility to check the accuracy of this other information.

We conducted our work in accordance with professional standards applicable in France.

Information on internal control and risk management procedures relating to the preparation and processing of accounting and financial information

Professional standards require that we perform the necessary procedures to assess the fairness of the information provided in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information. These procedures mainly consist of:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the Chairman's report is based and of the existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and of the existing documentation;
- determining if any material weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information that we may have noted in the course of our work are properly disclosed in the Chairman's report.

On the basis of our work, we have no comments to make on the information regarding the company's internal control and risk management procedures relating to the preparation and processing of the accounting and financial information contained in the report prepared by the Chairman of the Board of Directors in application of the provisions of Article L. 225-37 of the French Commercial Code.

Other information

We certify that the report by the Chairman of the Board of Directors contains the other information required by Article L. 225-37 of the French Commercial Code.

Paris and Paris-La Défense, 19 January 2015

The Statutory Auditors

AACE ÎLE-DE-FRANCE French member of Grant Thornton International	ERNST & YOUNG et Autres
Michel Riguelle	Bruno Bizet

This page has been left blank intentionally.

4

RESOLUTIONS SUBMITTED TO THE SHAREHOLDERS' COMBINED ORDINARY AND EXTRAORDINARY MEETING

BOARD OF DIRECTORS' REPORT ON THE DRAFT RESOLUTIONS

BOARD OF DIRECTORS' REPORT ON THE DRAFT RESOLUTIONS WITHIN THE COMPETENCE OF THE SHAREHOLDERS' ORDINARY MEETING

APPROVAL OF THE FINANCIAL STATEMENTS

The Shareholders' Ordinary Meeting is asked to approve the consolidated financial statements and the parent company financial statements for the 2013/2014 financial year, which are included in this document and submitted to the Shareholders' Ordinary Meeting of 5 March 2015.

APPROPRIATION OF PROFIT FOR THE YEAR

Net of all expenses, taxes, depreciation and amortisation, the parent company financial statements show an accounting profit of €30,309,386.47.

It is proposed that this profit be allocated entirely to retained earnings.

Following this allocation of profit at 30 September 2014, equity will break down as follows:

◆ Share capital	€88,215,510.00
◆ Issue premium	€8,635,020.43
◆ Merger premium	€55,912.36
◆ Legal reserve	€8,821,551.00
◆ Other reserves	€2,308,431.46
◆ Retained earnings	€495,507,875.31
Total	**€603,544,300.56**

DIVIDENDS DISTRIBUTED IN PREVIOUS YEARS

Pursuant to Article 243 *bis* of the French Tax Code, we remind you that the following dividends per share were distributed for the last three financial years:

Financial year	Number of shares[1]	Par value *(in €)*	Amount distributed *(in €)*	Net dividend per share *(in €)*	Distribution eligible for the tax reduction provided for in Article L. 158-3-2 of the French Tax Code *(in €)*
2012/2013	8,448,844	10	/	/	/
2011/2012	8,453,568	10	/	/	/
2010/2011	8,517,904	10	5,962,532.80	0.70	5,962,532.80

(1) Number of shares eligible for dividends for the year.

NON-TAX DEDUCTIBLE EXPENSES

Pursuant to Article 223 *quater* of the French Tax Code, the financial statements for the financial year ended 30 September 2014 do not include non-deductible expenses for tax purposes as defined in Article 39-4 of said Code.

ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND EQUITY INVESTMENTS

The table of subsidiaries and equity investments is appended to the statement of financial position.

In particular, the following information is provided on these subsidiaries, associates and long-term equity investments:

Significant equity investments

During the year ended 30 September 2014, the Company made no equity investments.

Significant disposals

During the year ended 30 September 2014, the Company disposed of the following investment:

On 5 September 2014, Pierre et Vacances sold 904 shares (a 100% equity interest) in Pierre et Vacances Investissement XXXXV (renamed PV Senioriales Gestion Immobilière) to PV Senioriales Promotion et Commercialisation for €1.

Significant investments and disposals since the year-end

None.

REGULATED AGREEMENTS

Agreement under Article L. 225-38 of the French Commercial Code

None.

Agreement under Article L. 225-42 of the French Commercial Code

None.

ATTENDANCE FEES

The Shareholders' Ordinary Meeting is asked to approve €180,000 in attendance fees for 2014/2015 to be allocated among the members of the Board of Directors, at the Board's discretion.

ADVISORY OPINION ON THE COMPONENTS OF THE REMUNERATION DUE OR PAID FOR THE 2013/2014 FINANCIAL YEAR TO EACH EXECUTIVE CORPORATE OFFICER OF THE COMPANY

Pursuant to the AFEP-MEDEF Code of Corporate Governance for Listed Companies, last revised in June 2013, to which the Company voluntarily adheres, the following components of the remuneration due or paid for 2013/2014 to each executive corporate officer of the Company must be approved by shareholders.

The components of Gérard Brémond's (Chairman of the Board of Directors during the financial year ended September 2014 and Chairman and Chief Executive Officer since 20 October 2014) remuneration due or received for the 2013/2014 financial year, which are subject to the advisory opinion of the shareholders

Remuneration component	Amount *(in €)*	Comments
Fixed remuneration	500,000	No change compared with the previous year
Variable remuneration	90,000	No change compared with the previous year Bonus equal to 18% of the fixed remuneration
Benefits in kind	3,602	Company car

Furthermore, it should be noted that Gérard Brémond is not entitled to any of the following components of remuneration as Chairman and Chief Executive Officer of the Company: deferred variable remuneration, multi-year variable remuneration, special remuneration, share options, performance shares, attendance fees, termination benefits, non-compete benefits, supplementary retirement plan.

The components of Françoise Gri's (Chief Executive Officer during the financial year ended September 2014 and until 20 October 2014) remuneration due or received for the 2013/2014 financial year, which are subject to the advisory opinion of the shareholdersv

Remuneration component	Amount *(in €)*	Comments
Fixed remuneration	500,000	No change in the annual basis compared with the previous year
Variable remuneration	-	No variable remuneration for the year
Share options, performance shares and any other long-term component of remuneration	-	None granted for the year
Benefits in kind	4,582	Company car

Furthermore, it should be noted that Françoise Gri is not entitled to any of the following components of remuneration as Chief Executive Officer of the Company: deferred variable remuneration, multi-year variable remuneration, special remuneration, attendance fees, termination benefits, non-compete benefits, supplementary retirement plan. For information, following her resignation as executive corporate officer of S.I.T.I. SA and Pierre et Vacances SA, a termination benefit in the amount of €300,000 (gross) was granted to Françoise Gri after 30 September 2014.

RATIFICATION OF THE CO-OPTATION OF A DIRECTOR

The Shareholders' Ordinary Meeting is notified of Martine Balouka-Vallette's appointment as director, decided on an interim basis by the Board of Directors at its meeting of 2 December 2014, to replace Françoise Gri who had resigned.

Pursuant to legal and regulatory requirements, the Shareholders' Ordinary Meeting is asked to ratify this appointment.

The information on the positions held in other companies (excluding the Pierre & Vacances-Center Parcs Group) by Martine Balouka-Vallette is listed on page 206 of this Registration document.

SHARE BUYBACK PROGRAMME

As the authorisation granted by the Shareholders' Ordinary Meeting of 13 March 2014 is valid until 13 September 2015, it appears necessary to grant a new authorisation which will terminate, for the unused portion, the authorisation granted by the Shareholders' Combined Ordinary and Extraordinary Meeting of 13 March 2014 to the Company to trade in its own shares.

The main features of this share buyback plan are as follows:

Percentage of the share capital held by the Company and breakdown of the shares held by the Company by objectives

At 31 December 2014, the Company held 372,130 treasury shares, *i.e.*, 4.22% of the share capital:

- 4,147 shares as part of the liquidity agreement with Natixis;
- 26,000 shares were allocated to the share option plan of 26 September 2005;
- 11,500 shares were allocated to the share option plan of 21 July 2006;
- 46,875 shares were allocated to the share option plan of 9 January 2007;
- 38,375 shares were allocated to the share option plan of 7 January 2008;
- 5,000 shares were allocated to the share option plan of 12 January 2009;
- 144,500 shares were allocated to the share option plan of 3 March 2011;
- 95,733 shares were allocated to the bonus share plan of 28 May 2013.

Objectives of the share buyback programme

The purchased shares could be used (in decreasing order of priority) to:

1) increase share liquidity through a liquidity agreement that complies with the AMAFI Code of Conduct;

2) grant bonus shares and/or share options to corporate officers or employees, or sell shares to employees as part of profit sharing plans, employee share ownership plans or company savings plans;

3) issue shares for the exercise of rights attached to securities carrying rights to shares of the Company through redemption, conversion, exchange, presentation of warrants or any other means;

4) issue shares as a means of payment or exchange in external growth transactions, in order to minimise the acquisition cost or, more generally, improve the terms of the transaction;

5) cancel shares, subject to the approval of a specific resolution at the Shareholders' Extraordinary Meeting.

Maximum percentage of the share capital, maximum number and characteristics of the shares that the Company intends to acquire, and maximum purchase price

Pierre et Vacances will be able to acquire 10% of its share capital, or 882,155 shares of €10 par value each at 31 December 2014. Taking into account the 372,130 treasury shares already held at 31 December 2014, the maximum number of shares that may be acquired under this buyback programme is therefore 510,025, corresponding to a theoretical maximum investment of €35,701,750 on the basis of the maximum purchase price of €70 provided for in the ninth resolution submitted to the vote of the Shareholders' Ordinary Meeting of 5 March 2015. However, it is recalled that the primary objective of the share buyback programme is the adjustment of the share price and therefore this maximum investment amount should not be reached.

Term of the share buyback programme

18 months after its approval by the Shareholders' Combined Ordinary and Extraordinary Meeting of 5 March 2015, *i.e.*, until 5 September 2016.

BOARD OF DIRECTORS' REPORT ON THE DRAFT RESOLUTIONS WITHIN THE COMPETENCE OF THE SHAREHOLDERS' EXTRAORDINARY MEETING

AUTHORISATION TO BE GRANTED TO THE BOARD OF DIRECTORS TO CANCEL THE COMPANY'S SHARES PURCHASED IN ACCORDANCE WITH THE SHARE BUYBACK PROGRAMME

By the ninth resolution described above, it is proposed to the Shareholders' Ordinary Meeting to authorise the Board of Directors, pursuant to the provisions of Article L. 225-209 of the French Commercial Code, to purchase shares of the Company within the limit of 10% of the share capital.

Among the intended objectives of this resolution is the ability to cancel the shares thus acquired. Consequently, through the tenth resolution, your Board requests the authorisation to reduce the share capital in order to cancel, within the legal limit of 10% of the share capital, all or part of the shares acquired by the Company under the aforementioned share buyback programme. The requested authorisation, which would be valid for a period of 18 months from the date of the Shareholders' Ordinary Meeting, would replace the similar authorisation granted by the Shareholders' Ordinary Meeting of 13 March 2014.

AMENDMENTS TO BE MADE TO THE COMPANY'S ARTICLES OF ASSOCIATION

It is asked that the Shareholders' Extraordinary Meeting:

- in the eleventh and twelfth resolutions: amend Articles 1, 6, 14, 15, 16, 18 and 21 of the articles of association to delete (i) the references to the Decree of 23 March 1967 and (ii) the references to the "New Commercial Code";
- in the thirteenth resolution: amend Article 8 of the articles of association on the disclosure of the crossing of regulatory thresholds to provide a method and disclosure procedures similar to the disclosure of the crossing of legal thresholds;
- in the fourteenth resolution: amend Article 11 of the articles of association to set the age limit for appointments to the position of Chairman of the Board of Directors to 85 years;
- in the fifteenth resolution: amend Article 14 of the articles of association to bring it in compliance with the provisions of Article L. 225-38 of the French Commercial Code;
- in the sixteenth resolution: to amend Article 16 of the articles of association to bring it in line with the new provisions on the record date, i.e., the date on which the Company determines which shareholders are qualified to attend Shareholders' Meetings.

DRAFT RESOLUTIONS SUBMITTED TO THE SHAREHOLDERS' COMBINED ORDINARY AND EXTRAORDINARY MEETING OF 5 MARCH 2015

RESOLUTIONS WITHIN THE COMPETENCE OF THE SHAREHOLDERS' ORDINARY MEETING

(Voting on these resolutions is subject to the quorum and majority requirements for Shareholders' Ordinary Meetings)

FIRST RESOLUTION

(Approval of the parent company's financial statements for the fiscal year ended 30 September 2014)

The Shareholders' Ordinary Meeting, having heard the Board of Directors' report and the Statutory Auditors' reports on the financial statements for the financial year ended 30 September 2014, approves the parent company financial statements for said financial year as they were presented, as well as the transactions underlying these financial statements or summarised in these reports.

SECOND RESOLUTION

(Appropriation of profit for the financial year ended 30 September 2014)

The Shareholders' Ordinary Meeting, on the recommendation of the Board of Directors, resolves to fully allocate the profit for the year in the amount of €30,309,386.47 to retained earnings.

The Shareholders' Ordinary Meeting notes that the following amounts were distributed as dividends for the last three financial years:

Financial year	Number of shares[1]	Par value *(in €)*	Amount distributed *(in €)*	Net dividend per share *(in €)*	Distribution eligible for the tax reduction provided for in Article L. 158-3-2 of the French Tax Code *(in €)*
2012/2013	8,448,844	10	/	/	/
2011/2012	8,453,568	10	/	/	/
2010/2011	8,517,904	10	5,962,532.80	0.70	5,962,532.80

(1) Number of shares eligible for dividends for the year.

THIRD RESOLUTION

(Approval of the consolidated financial statements for the financial year ended 30 September 2014)

The Shareholders' Ordinary Meeting, having heard the Board of Directors' report and the Statutory Auditors' reports on the financial statements for the financial year ended 30 September 2014, approves the consolidated financial statements for said financial year as they were presented, as well as the transactions underlying these financial statements or summarised in these reports.

Said consolidated financial statements for the financial year ended 30 September 2014 show consolidated revenue €1,415.4 million and consolidated net loss attributable to owners of the Company of €23,294 thousand.

FOURTH RESOLUTION

(Setting the amount of attendance fees)

The Shareholders' Ordinary Meeting sets the amount of attendance fees to €180,000, to be distributed among the directors for the current financial year.

FIFTH RESOLUTION

(Approval of regulated agreements and commitments covered by Articles L. 225-38 et seq. of the French Commercial Code)

The Shareholders' Ordinary Meeting, having heard the Statutory Auditors' special report on regulated agreements and commitments governed by Articles L. 225-38 et seq. of the French Commercial Code, duly notes that no new agreement was concluded during the financial year and that two previously signed and authorised agreements remained in effect.

SIXTH RESOLUTION

(Opinion on the components of Gérard Brémond's (Chairman of the Board of Directors during the financial year ended September 2014 and Chairman and Chief Executive Officer since 20 October 2014) remuneration due or received for the 2013/2014 financial year)

The Shareholders' Ordinary Meeting issues a favourable opinion on the components of Gérard Brémond's (Chairman of the Board of Directors during the financial year ended September 2014 and Chairman and Chief Executive Officer since 20 October 2014) remuneration due or received for the 2013/2014 financial year, as detailed in the 2013/2014 Registration document (pages 165 and 166) and summarised in the Board of Directors' included in the notice of meeting brochure.

SEVENTH RESOLUTION

(Opinion on the components of Françoise Gri's (Chief Executive Officer during the financial year ended September 2014 and until 20 October 2014) remuneration due or received for the 2013/2014 financial year)

The Shareholders' Ordinary Meeting issues a favourable opinion on the components of Françoise Gri's (Chief Executive Officer during the financial year ended September 2014 and until 20 October 2014) remuneration due or received for the 2013/2014 financial year, as detailed in the 2013/2014 Registration document (pages 165 and 166) and summarised in the Board of Directors' report included in the notice of meeting brochure.

EIGHTH RESOLUTION

(Ratification of the co-optation of a director)

The Shareholders' Ordinary Meeting ratifies Martine Vallette's co-optation as director, decided on an interim basis by the Board of Directors at its meeting of 2 December 2014, to replace Françoise Gri for the remainder of her predecessor's term of office, i.e. until the end of the Shareholders' Meeting called to approve the financial statements for the year ending 30 September 2015.

NINTH RESOLUTION

(Authorisation to purchase shares in the Company)

The Shareholders' Ordinary Meeting, having taken note of the Board of Directors' report, authorises the Board of Directors, which may delegate such powers, to trade in the Company's shares, subject to compliance with legal and regulatory requirements applicable at the time of the transaction, and particularly compliance with the requirements and obligations imposed by the provisions of Articles L. 225-209-2 *et seq.* of the French Commercial Code and Articles 241-1 to 241-6 of the AMF General Regulations.

The Company may acquire its own shares either on the stock market or over the counter and sell all or part of the shares thus acquired within the limits below:

- the total number of shares purchased during the term of the buyback programme shall not exceed 10% of the share capital at the date of this Shareholders' Meeting (i.e., as an indication, 882,155 shares on the basis of the capital at 31 December 2014);
- the total number of treasury shares shall not exceed 10% of the share capital;
- the unit purchase price must not exceed €70 per share (excluding acquisition costs).

Pursuant to Article R. 225-151 of the French Commercial Code, the Shareholders' Ordinary Meeting sets the maximum overall amount allocated to the share buyback programme authorised above to €61,750,850, corresponding to a maximum of 882,155 acquired shares on the basis of the maximum share price authorised above of €70.

These transactions must be carried out in accordance with the rules set out by the AMF General Regulations on market trading conditions and timing.

This authorisation is designed to allow the Company (in decreasing order of priority) to:

1) increase share liquidity through a liquidity agreement that complies with the AMAFI Code of Conduct;

2) grant bonus shares and/or share options to corporate officers or employees, or sell shares to employees as part of profit sharing plans, employee share ownership plans or company savings plans;

3) issue shares for the exercise of rights attached to securities carrying rights to shares of the Company through redemption, conversion, exchange, presentation of warrants or any other means;

4) issue shares as a means of payment or exchange in external growth transactions, in order to minimise the acquisition cost or, more generally, improve the terms of the transaction;

5) cancel shares, subject to the approval of a specific resolution at the Shareholders' Extraordinary Meeting.

The Shareholders' Ordinary Meeting resolves that:

- the purchase of the shares and the retention, sale or transfer of the shares thus purchased may, depending on the case, be carried out in one or more transactions, at any time, except during a public offering, by any means on the market or over the counter, particularly by block purchase or sale, or by the use of derivative financial instruments (excluding sales of put options) and of warrants, in compliance with the applicable regulations;
- in the event of a capital increase by incorporation of reserves and grant of bonus shares and in the case of either a share split or a reverse share split, the prices indicated above shall be adjusted by a multiple equal to ratio between the number of shares outstanding prior to the transaction and the number after the transaction.

The Shareholders' Ordinary Meeting resolves to give all powers to the Board of Directors, which may delegate such powers to:

- use all means to purchase, sell or transfer these shares, including using options transactions, or transactions in derivative financial instruments (excluding sales of put options);
- enter into any agreement with a particular view to maintain registers of share purchases and sales, make statements to any bodies including the AMF, undertake any formalities and, in general, do whatever is necessary in this matter.

This authorisation is valid for a maximum period of 18 months as from the date hereof and terminates, with immediate effect, for the unused portion, the authorisation granted by the Shareholders' Ordinary Meeting of 13 March 2014.

RESOLUTIONS WITHIN THE COMPETENCE OF THE SHAREHOLDERS' EXTRAORDINARY MEETING

(Voting on these resolutions is subject to the quorum and majority requirements for Shareholders' Extraordinary Meetings)

TENTH RESOLUTION

(Authorisation granted to the Board of Directors to reduce the share capital by cancelling the Company's shares purchased in accordance with the share buyback programme)

The Shareholders' Extraordinary Meeting, having heard the Board of Directors' report and the Statutory Auditors' special report:

- authorises the Board of Directors to cancel, at its own discretion, on one or more occasions, within the limit of 10% of the share capital, the shares that the Company may hold as a result of purchases made pursuant to the ninth resolution of this Meeting as well as purchases made to date, where appropriate, and to reduce the issued capital accordingly, in accordance with the applicable laws and regulations;
- sets the validity of this authorisation to 18 months from this Meeting;

- gives the Board of Directors the option of delegating all powers to carry out the transactions necessary for such cancellations and related reductions of the share capital, to amend the Company's articles of association as a result and undertake all the required formalities.

This authorisation supersedes the previous authorisation granted by the Shareholders' Extraordinary Meeting of 13 March 2014.

ELEVENTH RESOLUTION

(Rendering the articles of association compliant: replacing the references to the Decree of 23 March 1967 by references to the French Commercial Code)

The Shareholders' Extraordinary Meeting, having heard the report of the Board of Directors, decides to delete (i) all the references made in the articles of association to the Decree No. 67-236 of 23 March 1967 and replace them with the corresponding articles of the French Commercial Code and (ii) all the references made in the articles of association to the "New Commercial Code" and replace them with the "Commercial Code".

TWELFTH RESOLUTION

(Related amendment of Articles 1, 6, 14, 15, 16, 18 and 21 of the articles of association)

As a result of the foregoing resolution, the Shareholders' Extraordinary Meeting resolves to amend Articles 1, 6, 14, 15, 16, 18 and 21 of the articles of association as follows:

Article 1 shall read as follows: "Pierre et Vacances is a French Public Limited Company *(Société Anonyme)* governed by the applicable laws and regulations and by these articles of association."

In Article 6, the words "New Commercial Code" shall be replaced by "Commercial Code".

The third paragraph of Article 6.2 shall read as follows: "The resolution of the Shareholders' Meeting shall be made public in accordance with Articles L. 225-135-248 and R. 225-166 of the French Commercial Code".

In Article 6, the words "New Commercial Code" shall be replaced by "Commercial Code".

In Article 14, the reference to Article 92 of the Decree of 23 March 1967 shall be replaced by a reference to Article R. 225-31 of the French Commercial Code.

In the seventh paragraph of Article 15, the reference to Article L. 225-230 of the New Commercial Code shall be replaced by the reference to Article L. 823-6 of the French Commercial Code.

In the eighth paragraph of Article 15, the words "New Commercial Code" shall be replaced by "Commercial Code".

In the second to last paragraph of Article 15, the text "(specifically Articles L. 225-26, L. 225-103, L. 225-135, L. 225-204, L. 225-244, L. 232-6, L. 236-10 and L. 236-16 of the New Commercial Code)" shall be replaced by "(specifically Articles L. 225-26, L. 225-103, L. 225-135, L. 225-204 and L. 225-244 of the French Commercial Code)".

In Article 16.2, the reference to Article 194 of the Decree of 23 March 1967 shall be replaced by a reference to Article R. 225-162 of the French Commercial Code.

In Article 16.3, the reference to Articles 128 and 131 of the Decree of 23 March 1967 is replaced by the reference to Articles R. 225-71 and R. 225-74 of the French Commercial Code, while the reference to Articles 129 or 130 of the Decree of 23 March 1967 is replaced by the reference to Article R. 225-73 of the French Commercial Code.

In Article 18, the words "New Commercial Code" shall be replaced by "Commercial Code".

In Article 21, the words "New Commercial Code" shall be replaced by "Commercial Code".

THIRTEENTH RESOLUTION

(Amendment to Article 8 of the articles of association)

The Shareholders' Extraordinary Meeting, having heard the Board of Directors' report, decides to replace the two paragraphs of the section called "Crossing of thresholds" in Article 8 of the articles of association by the following three paragraphs:

"In addition to the legal obligation to inform the Company when holding certain fractions of the share capital or voting rights, any individual or entity who, acting alone or in concert, comes to hold, a percentage of the capital or voting rights equal to or exceeding 5% or a multiple thereof, directly or indirectly, within the meaning of Article L. 233-9 of the French Commercial Code, is required to notify the Company by registered letter with proof of receipt within five trading days of crossing each of these thresholds, indicating the number of voting rights and shares held and the voting rights attached thereto. This notice of the crossing of shareholding thresholds also indicates if the shares or attached voting rights are or are not held on behalf of or in concert with any other individual or entity."

"If not disclosed as provided above, the shares that exceed the percentage and should have been disclosed are deprived of voting rights at future shareholders' meetings, if one or more shareholders holding collectively at least 5% of the Company's share capital or voting rights so request and the request is recorded in the minutes of the Shareholders' Ordinary Meeting. The deprivation of voting rights applies to all future Shareholders' Meetings until the expiry of a period of two years from the date the disclosure is made."

"Any shareholders whose percentage of interest or voting rights in the Company falls below one of the aforementioned thresholds is also required to notify the Company within the same period and in the same manner."

FOURTEENTH RESOLUTION

(Amendment to Article 11 of the articles of association)

The Shareholders' Extraordinary Meeting, having heard the Board of Directors' report, resolves to amend the second paragraph in Article 11 of the articles of association to read as follows:

"The Chairperson may be re-elected any number of times. They may continue to serve until the age of 85. Beyond that age limit, they will be deemed as having resigned. The Chief Executive Officer is subject to the same age limit as the Chairperson."

FIFTEENTH RESOLUTION

(Amendment to Article 14 of the articles of association)

The Shareholders' Extraordinary Meeting, having heard the Board of Directors' report, resolves to amend the first paragraph in Article 14 of the articles of association to read as follows:

"Any agreement, entered directly or through an intermediary, between the company and its Chief Executive Officer, one of its Deputy Chief Executive Officers, one of its directors, one of its shareholders holding a percentage of voting rights greater than 10% or, in the case of a corporate shareholder, its controlling company within the meaning of Article L. 233-3 of the French Commercial Code shall be submitted to the Board of Directors for prior approval."

SIXTEENTH RESOLUTION

(Amendment to Article 16 of the articles of association)

The Shareholders' Extraordinary Meeting, having heard the Board of Directors' report, resolves to amend the first paragraph in Article 16.5 of the articles of association to read as follows:

"Any shareholder, regardless of the number of shares they hold, may participate in person or by proxy in the Shareholders' Meetings as provided by law. The right to participate in the Shareholders' Meetings is subject to the registration of their shares two (2) business days before the date of the Shareholders' Meeting at midnight, Paris time, either in the registered share accounts maintained by the Company, or in the bearer share accounts maintained by an authorised intermediary. In the latter case, the authorised intermediary must provide a shareholder certificate to that effect."

This page has been left blank intentionally.

5

APPENDICES

PERSONS RESPONSIBLE FOR THE REGISTRATION DOCUMENT AND AUDITING THE FINANCIAL STATEMENTS

NAME OF THE PERSON ASSUMING RESPONSIBILITY FOR THE REGISTRATION DOCUMENT

Gérard Brémond, Chairman and Chief Executive Officer.

This information is provided under the sole responsibility of the executives of the Company.

DECLARATION OF THE PERSON ASSUMING RESPONSIBILITY FOR THE REGISTRATION DOCUMENT

I hereby certify, after taking all reasonable measures to that effect, that the information contained in this Registration document is, to the best of my knowledge, accurate and does not include any omission that would distort its substance.

I hereby certify that, to the best of my knowledge, the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, financial position and results of the Company and all companies in the Group, and that the management report given on pages 30 and above and the following presents a true and fair picture of the changes in the business, the results and the financial position of the Company and all companies in the Group, as well as a description of the main risks and uncertainties they face.

The consolidated financial statements for the year ended 30 September 2014 presented in section 1 of this Registration document are the subject of a report by the independent auditors included in the same section. This report contains an observation on a change in accounting policies that occurred after the previous financial reporting date and arose as a result of the application of the amendments to IAS 19 "Employee Benefits".

The consolidated financial statements for the year ended 30 September 2013 are also the subject of a report by the independent auditors that contains an observation on the change in the basis of presentation with respect to the reclassification of marketing fees for property development projects from current assets to inventories.

I have obtained an audit completion letter from the independent auditors, in which they indicate that they have audited the information concerning the financial position and financial statements presented in this Registration document, and have read the entire document.

Paris, 20 January 2015

Gérard Brémond,
Chairman and Chief Executive Officer

STATUTORY AUDITORS

Principal Statutory Auditors:

ERNST & YOUNG & Autres

Bruno Bizet

1/2, place des Saisons – 92400 COURBEVOIE-PARIS-LA DÉFENSE 1, France

First appointed by the General Meeting of 29 May 1990

Reappointed for six years by the General Meeting of 18 February 2010

AACE – Île-de-France – French member of Grant Thornton International

Michel Riguelle

100, rue de Courcelles – 75107 PARIS, France

First appointed by the General Meeting of 3 October 1988

Reappointed for six years by the General Meeting of 18 February 2010

Deputy Statutory Auditors:

AUDITEX

1/2, place des Saisons – 92400 COURBEVOIE-PARIS-LA DÉFENSE 1, France

First appointed by the General Meeting of 28 February 2013

GRANT THORNTON

100, rue de Courcelles – 75107 PARIS, France

First appointed by the General Meeting of 28 February 2013

FEES PAID TO THE STATUTORY AUDITORS AND MEMBERS OF THEIR NETWORK

	Ernst & Young & Autres				AACE – Île-de-France			
	Amount		%		Amount		%	
(in € thousands)	2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013
Audit								
Statutory audits, certifications, examination of individual and consolidated financial statements	1,357	1,510	65%	67%	373	392	94%	91%
Issuer	324	408	15%	18%	147	189	37%	48%
Fully integrated subsidiaries	1,033	1,102	80%	49%	226	203	57%	52%
Other examinations and services directly associated with the task of the Statutory Auditor	177	69	8%	4%	23	38	6%	9%
Issuer	107	0	5%		15		4%	
Fully integrated subsidiaries	70	69	3%	4%	8	38	2%	9%
SUBTOTAL	**1,534**	**1,579**	**73%**	**71%**	**396**	**430**	**100%**	**100%**
Other services provided by the networks to fully integrated subsidiaries								
Legal, fiscal, social	566	657	27%	29%				
Others (to be specified if > 10% of the audit fees)								
SUBTOTAL	**566**	**657**	**27%**	**29%**				
TOTAL	**2,100**	**2,236**	**100%**	**100%**	**396**	**430**	**100%**	**100%**

The parent company and consolidated financial statements of the Center Parcs Europe subgroup for 2013/2014 and 2012/2013 have been audited by the auditors of the Ernst & Young network in the Netherlands, Germany and Belgium and by Ernst & Young & Autres in France.

In addition, fees for taxation services relate to the review work carried out in 2013/2014 by members of the Ernst & Young network in the Netherlands, primarily as part of restructuring operations.

INFORMATION INCORPORATED BY REFERENCE

In accordance with Article 28 of Commission Regulation (EC) No. 809/2004, the following information is incorporated by reference in the present Registration document:

- the consolidated financial statements and corresponding audit reports shown on pages 72 to 136 (financial report) of the 2012/2013 Registration document registered with the AMF on 15 January 2014 under number D. 14-0017;
- the consolidated financial statements and corresponding audit reports shown on pages 40 to 104 (financial report) of the 2011/2012 Registration document registered with the AMF on 23 January 2013 under number D. 13-0022;
- the Group management report shown on pages 26 to 68 (financial report) of the 2012/2013 Registration document registered with the AMF on 15 January 2014 under number D. 14-0017;
- the Group management report shown on pages 4 to 39 (financial report) of the 2011/2012 Registration document registered with the AMF on 23 January 2013 under number D. 13-0022;
- parts not included in these documents are either irrelevant to the investor or covered elsewhere in the Registration document.

ANNUAL INFORMATION DOCUMENT

The list of information[27] published or made public by the Pierre & Vacances-Center Parcs Group over the last twelve months, pursuant to Article L. 451-1-1 of the French Monetary and Financial Code and Article 222-7 of the French Financial Markets Authority (AMF) General Regulations.

Financial results

- 2012/2013 Registration document:
  - filed with the AMF on 15 January 2014 under No. D. 14-0017;
  - notice of the publication of the 2012/2013 Registration document, published on 16 January 2014;
- Shareholders' Combined Ordinary and Extraordinary Meeting of 13 March 2014:
  - meeting notice, published in the French bulletin of obligatory legal announcements (BALO) of 3 February 2014 (bulletin No. 15);
  - meeting notice, published in the French bulletin of obligatory legal announcements (BALO) of 24 February 2014 (bulletin No. 24);
  - notice of the publication of preparatory documents;
  - results of voting on resolutions;
  - parent company financial statements – Certifications of the Statutory Auditors on the parent company financial statements and the consolidated financial statements, published in the French bulletin of obligatory legal announcements (BALO) of 9 April 2014 (bulletin No. 43);
- Financial information:
  - 1st quarter 2013/2014, published on 21 January 2014;
  - 2nd quarter 2013/2014, published on 16 April 2014;
  - 3rd quarter 2013/2014, published on 17 July 2014;
  - 4th quarter 2013/2014, published on 16 October 2014;
- 1st half of the 2013/2014 financial year:
  - Results of the first half of 2013/2014, published on 27 May 2014;
  - 2013/2014 half-year financial report, published on 31 May 2014;
- Annual results for 2013/2014, published on 3 December 2014.

Transactions on the share capital

- ORNANE bond issue:
  - Press release for the launch of 4 February 2014;
  - Press release for the setting of the final terms of 4 February 2014;
  - Press release for the AMF's authorisation of 4 February 2014;
  - Offering memorandum of 4 February 2014;
  - Press release: exercise of over-allotment option – 5 February 2014;
- Redemption of OCÉANE bonds:
  - Press release: result of the redemption procedure – 21 February 2014;
- Refinancing press release – 14 February 2014;
- Half-yearly report on the liquidity agreement:
  - at 31 December 2013, published on 8 January 2014;
  - at 30 June 2014, published on 8 July 2014;
- Monthly declarations of the number of shares and rights on 31 December 2013, 31 January, 28 February, 31 March, 30 April, 31 May, 30 June, 31 July, 31 August, 31 October, 30 November and 31 December 2014.

Other information

- "Villages Nature finalised the financing of its first stage of development" published 25 May 2014;
- "Press release: governance" published on 21 October 2014;
- "Partnership Beijing Capital Land and Pierre & Vacances-Center Parcs" published on 4 December 2014.

(27) Information available on the Pierre et Vacances website at http://groupepvcp.com and in the French Bulletin of Obligatory Legal Announcements (BALO).

CROSS-REFERENCE TABLES

Cross-reference table of the Registration document

No.	*Items of Note 1 to Regulation No. 809/2004*	*Business report*	*Annual Financial Report*
		PAGES	PAGES
1.	**Persons responsible**		**236**
2.	**Independent auditors**		**237**
3.	**Selected financial information**		
3.1.	Historic financial information		n/a
3.2.	Interim financial information		n/a
4.	**Risk factors**		**48-53**
5.	**Information on the issuer**		
5.1.	History and development of the Company		31-32 ; 146-149
5.1.1.	*Company name and trading name*		*146*
5.1.2.	*Place of registration and registration number*		*146*
5.1.3.	*Date of incorporation and term of the Company*		*146*
5.1.4.	*Registered office and legal form*		*146*
5.1.5.	*Significant events in the development of the business*	*3, 18-24*	*31-32 ; 146-149*
5.2.	Investment spending		44-45 ; 105-109 ; 114-115
5.2.1.	*Main investments made by the issuer during each financial year of the period covered by the historic financial information*		*44-45 ; 105-109 ; 114-115*
5.2.2.	*Main investments in course, geographical distribution of these investments (nationally and abroad) and the financing method (internal or external)*		*n/a*
5.2.3.	*Information on the main investments that the issuer plans to make in the future and for which the management bodies have already assumed firm commitments*		*n/a*
6.	**Overview of the Group's businesses**		
6.1.	Main businesses	4-5	32-42
6.2.	Main markets		54
6.3.	Exceptional events		n/a
6.4.	Extent of dependence on patents and licenses, industrial, commercial or financial contracts or new manufacturing processes		n/a
6.5.	Competitive position		54
7.	**Organisational structure**		
7.1.	Summarised description of the Group	4-5	150-151
7.2.	List of significant subsidiaries		196-197
8.	**Property, plant and equipment**		
8.1.	Significant property, plant and equipment and significant expenses linked to these		44-45 ; 108-109
8.2.	Environmental issues that may impact the use of property, plant and equipment		n/a
9.	**Examination of financial position and profit (loss)**		
9.1.	Financial position	6	44-48
9.2.	Operating profit (loss)		43

No.	*Items of Note 1 to Regulation No. 809/2004*	*Business report*	*Annual Financial Report*
		PAGES	PAGES
10.	**Cash flow and capital**		
10.1.	Information on capital		82 ; 115
10.2.	Cash flow		44-45 ; 81 ; 114-115
10.3.	Terms and conditions of loans and financing structure		120-124
10.4.	Restrictions on the use of capital		n/a
10.5.	Planned financing sources		n/a
11.	**R&D, patents and licenses**		**n/a**
12.	**Information on trends**		
12.1.	Main trends since the end of the previous financial year		55
12.2.	Known trend or event likely to affect the issuer's outlook		55
13.	**Profit forecasts or estimates**		**n/a**
14.	**Administrative, management, supervisory and executive management bodies**		
14.1.	Administrative bodies	7	204-206
14.2.	Conflicts of interest		204-206
15.	**Remuneration and benefits**		
15.1.	Remuneration and benefits in kind		141 ; 164-166 ; 195
15.2.	Total amount provisioned or otherwise recorded for the purposes of paying pensions, retirement benefits or other benefits		116-118 ; 141
16.	**Functioning of the administrative and management bodies**		
16.1.	Expiry of current terms of office		204
16.2.	Employment contracts linking members of the administrative, management or supervisory bodies		164
16.3.	Audit Committee and Remuneration Committee		207
16.4.	Conformity with the corporate governance plan in effect in France		205
17.	**Employees**		
17.1.	Number of employees		58-59 ; 139
17.2.	Profit-sharing and stock options		157 ; 169-173
17.3.	Employee profit-sharing in the issuer's capital		156-158
18.	**Main shareholders**	**7**	
18.1.	Shareholders holding more than 5% of the capital		158
18.2.	Existence of different voting rights		152
18.3.	Control of the issuer		204-205
18.4.	Agreement which, if implemented, would result in a change in control		n/a
19.	**Related-party transactions**		**142-143 ; 201-202**

No.	Items of Note 1 to Regulation No. 809/2004	Business report	Annual Financial Report
		PAGES	PAGES
20.	**Financial information concerning the portfolio, financial position and results of the issuer**		
20.1.	Historic financial information		174-177 ; 239
20.2.	Pro-forma financial information		n/a
20.3.	Financial statements		174-177
20.4.	Verification of annual historic financial information		200
20.5.	Date of latest financial information		239
20.6.	Interim and other financial information		n/a
20.7.	Policy of dividend payments		157
20.8.	Legal and arbitration proceedings		51-53 ; 181
20.9.	Significant change in the financial or commercial position		n/a
21.	**Additional information**		
21.1.	Share capital		152-159
21.1.1.	*Amount of capital subscribed*		*152*
21.1.2.	*Non-equity shares*		*n/a*
21.1.3.	*Shares held by the issuer itself, in its name or by its subsidiaries*		*152-159*
21.1.4.	*Amount of convertible or exchangeable negotiable securities, or of securities with warrants attached*		*152*
21.1.5.	*Information on the conditions governing any right to purchase and/or any obligation attached to the capital subscribed but not paid-up, or any undertaking to increase capital*		*152*
21.1.6.	*Information on the capital of any member of the Group that is subject to a conditional or unconditional option or to an agreement providing for the capital to be subject to an option*		*n/a*
21.1.7.	*Historic issued capital*		*152-156*
21.2.	Memorandum and Articles of association		146-147 ; 152 ; 209-213
21.2.1.	*Issuer's company purpose and reference in the memorandum and Articles of association*		*146-147*
21.2.2.	*Provision concerning the members of the administrative, management and supervisory bodies*		*209-213*
21.2.3.	*Rights, privileges and restrictions attached to each class of existing shares*		*152*
21.2.4.	*Action necessary to amend the rights of shareholders*		*152*
21.2.5.	*Conditions governing how Shareholders' Ordinary Meetings are convened*		*146-147*
21.2.6.	*Provision which could have the effect of delaying, deferring or preventing a change of control*		*n/a*
21.2.7.	*Provision fixing the threshold above which any investment must be disclosed*		*146*
21.2.8.	*Conditions, regulation or charter governing changes to the capital*		*n/a*
22.	**Major contracts**		**53**
23.	**Information from third parties, experts' declarations and declarations of interest**		**n/a**
24.	**Documents available to the public**		**239**
25.	**Information on holdings**		**196-197**

5

Cross-reference table detailing social and environmental information in relation to decree No. 2012-557 of 24 April 2012

		Management report PAGES	*Financial report* PAGES
1/ Social information	**a) Employment:**		
	– Total headcount and breakdown of employees by gender, age and geographic region	56-57	
	– Recruitment and dismissals	59	
	– Remuneration and changes in remuneration	56 ; 63	164-165 ; 195
	b) Organisation of work:		
	– Organisation of working hours	58	
	– Absenteeism	61	
	c) Employee relations:		
	– Organisation of employee-management relations, particularly procedures for informing, consulting and negotiating with employees	62	
	– Collective agreements	62	
	d) Health and safety:		
	– Health and safety conditions at work	63	
	– Review of agreements signed with trade unions and employee representatives regarding health and safety at work	62	
	– Workplace accidents, particularly their frequency and severity, as well as occupational illnesses	63	
	e) Training:		
	– Training policies implemented	60	
	– Total hours of training	60	
	f) Equal treatment:		
	– Measures taken to promote gender equality	63	
	– Measures taken to promote employment and professional integration of the disabled	64	
	– Anti-discrimination policy	63-64	
	g) Promotion and compliance with the provisions of the fundamental conventions of the International Labour Organisation in relation to:		
	– The respect for the freedom of association and the right to collective bargaining	62	
	– The elimination of discrimination in respect of employment and occupation	63-64	
	– The elimination of forced or compulsory labour	73	
	– The effective abolition of child labour	73	

		Management report PAGES	*Financial report* PAGES
2/ Environmental information	**a) General environmental policy:**		
	– Organisation adopted by the Company so as to take into account environmental issues and, where applicable, environmental assessment and certification initiatives	64-67	
	– Employee training and information on environmental protection	60 ; 63 ; 71	
	– Resources dedicated to preventing environmental risks and pollution	52	
	– Amount of provisions and guarantees for environmental risks, provided that such information is not likely to seriously harm the Company in any ongoing litigation	52 ; 74	116-119
	b) Pollution and waste management:		
	– Measures to prevent, reduce or remedy discharges into the atmosphere, water, and soil that severely affect the environment	52 ; 64 ; 67-69	
	– Waste prevention, recycling and elimination measures	64-65 ; 69-70	
	– Steps taken to address noise pollution and any other form of pollution from business activities	64	
	c) Sustainable use of resources:		
	– Water consumption and supply depending on local constraints	64-69	
	– Consumption of raw materials and measures taken to improve their efficient use	64-69 ; 67-69 ; 72-73 ; 74	
	– Energy consumption, measures taken to improve energy efficiency and use of renewable energy	64-65 ; 69	
	– Use of land	52 ; 64-65 ; 70-71	
	d) Climate change:		
	– Greenhouse gas emissions	70	
	– Adapting to the consequences of climate change	70	
	e) Protection of biodiversity:		
	– Measures taken to protect or improve biodiversity	64-65 ; 70-71 ; 74	

		Management report PAGES	Financial report PAGES
3/ Information on commitments to sustainable development	**a) Territorial, economic and social impact of the Company's activity:**		
	– In terms of employment and regional development	59 ; 65 ; 72	
	– On local or neighbouring populations	64 ; 71	
	b) Relations with interested parties or organisations, particularly occupational integration associations, educational establishments, environmental protection associations, consumer associations and neighbouring populations		
	– Conditions of dialogue with stakeholders	64 ; 71-72	
	– Partnerships or sponsorship	74	
	c) Subcontracting and suppliers:		
	– Inclusion of social and environmental issues in procurement policy	72-73	
	– Scale of outsourcing and raising awareness among suppliers and subcontractors about corporate social responsibility	72-73	
	d) Fair practice:		
	– Actions taken to prevent corruption	73 ; 74	217-219
	– Measures taken to promote consumer health and safety	74	
	e) Other actions taken, in relation to the present part 3/, to support human rights		

This page has been left blank intentionally.

This page has been left blank intentionally.

This document is printed by an Imprimvert-certified printer on paper produced
from responsibly managed forests and other controlled sources.

Business report designed and published by

EUROKAPI

+33 (0)1 41 32 36 00 - **www.eurokapi.fr**

Annual financial report

Designed & published by LABRADOR +33 (0)1 53 06 30 80

Photo credits: Pierre & Vacances-Center Parcs photobank, 4D Univers, ABACApress / Guido Erbring, Anthierens K., Arnal C., Avoriaz Tourisme, Bergoend E., Casaer J., Cavailhès D. / NPS, Corbis / Radius Images, Cortin R., Dias J.-L., Dupé V., Getty Images / Skhoward, Goetheer M. / Peper R., Gogny T., Huau T. Interscène - Jean de Gastines Architectes, Hurks T. Fotografie, Ichou C. / Le Studio, Imagera, Land R., Laurent M. / CRT Lorraine, Mathieu C., Onoky, Photoalto, Photononstop, Siegers E., Sigaud L. / Galatée Films, Verny P.

Groupe

Pierre & Vacances

Center Parcs

www.groupepvcp.com

HEAD OFFICE
L'Artois - Espace Pont de Flandre
11, rue de Cambrai - 75947 Paris Cedex 19 - France
Tel: +33 (0)1 58 21 58 21

FINANCIAL INFORMATION
Tel: +33 (0)1 58 21 53 72
E-mail: infofin@fr.groupepvcp.com

PRESS RELATIONS
Tel: +33 (0)1 58 21 54 61
E-mail: valerie.lauthier@fr.groupepvcp.com