

Close by ;-)

BUSINESS REPORT 2010 - 2011

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Groupe

Pierre & Vacances
CenterParcs



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"Local tourism well-equipped to resist"



Gérard Brémont, Chairman:

"We are continuing to develop the Group and expand internationally in order to better meet new customer expectations."

Against a backdrop of economic crisis, the Group's two businesses, tourism and property development, resisted well in 2011: **European holidaymakers are favouring holidays closer to home** in order to reduce transport costs, while the property sector has benefited from a bearish stock-market with investors turning to refuge stocks.

However, the current backdrop has above all strengthened our **tourism residence** concept itself, given that it promotes reassuring values with a return to family and friends and high-quality holidays. Furthermore, we benefit from size effects, since our brands are known and recognised throughout Europe and are reassuring for consumers. Finally, this resilience has also stemmed from the progress made in our transformation plan.

But the strength of a Group is also reflected in its ability to innovate.

A number of developments are soon to enrich our tourism network: in France, a new Center Parcs in the Vienne region with an animal-based theme is planned for 2015. In the Île-de-France region, the first building permits for Villages Nature were filed for at end-2011, in line with the project's schedule. In addition, we are continuing to expand internationally, in Morocco and Spain and other European countries via Adagio, which has now taken on a new dimension with the 100% integration of Citéa.



€1,470
million

in turnover

In 2010/2011, the tourism division contributed 75% of the Group's turnover and property development 25%.

7.7
million

European clients

Leader in local tourism, the Pierre & Vacances-Center Parcs Group welcomes European business and leisure clients to its sites.

51,000

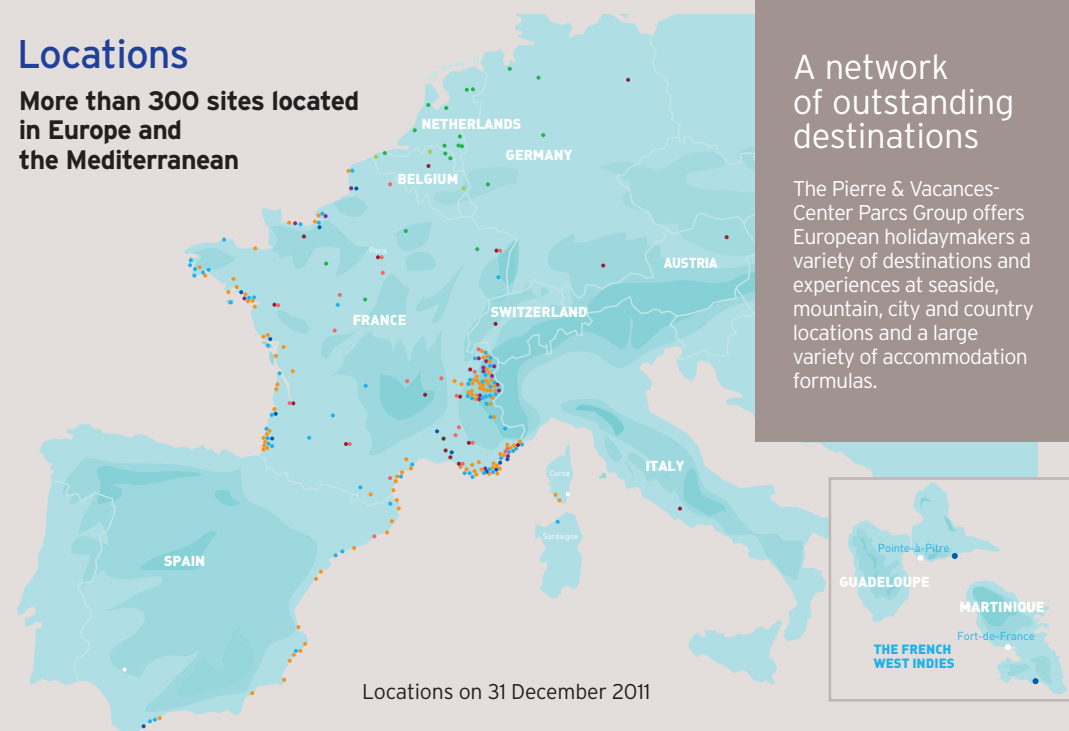
More than

apartments and homes

Cottages, homes and apartments: each holidaymaker has their own accommodation formula for holidays in all freedom, a "home from home" with services thrown in...

Locations

More than 300 sites located in Europe and the Mediterranean



A network of outstanding destinations

The Pierre & Vacances-Center Parcs Group offers European holidaymakers a variety of destinations and experiences at seaside, mountain, city and country locations and a large variety of accommodation formulas.

Profile

For more than 40 years, the **Pierre & Vacances-Center Parcs Group** has been developing innovative leisure and holiday concepts, in sites of outstanding natural beauty, that are landscaped and managed in respect of the environment and sustainable development principles. The Group is the European leader in local tourism, with recognised and complementary brands and manages a network of more than 51,000 apartments and homes, or more than 235,000 beds.

Pierre & Vacances

Pierre & Vacances
premium

Pierre & Vacances
villages clubs

CenterParcs

maeva

Sunparks

adagio
city apartment

adagio
access

P&V PIERRE & VACANCES
DEVELOPPEMENT

P&V PIERRE & VACANCES
CONSEIL IMMOBILIER

LES SENIORIALES®
RESIDENCES SENIORS

Two businesses

Tourism

The Group's brands are a reference for European consumers. They make up an offering of remarkable destinations for sea, mountain, country and city holidays, all year round and with "à la carte" services.

5 brands: Pierre & Vacances, Maeva, Center Parcs, Sunparks and Adagio.

4 product lines: residences, all-weather domains, villages clubs and city residences.

Property development

Thanks to the know-how of its teams, the Group masters the entire chain of property development businesses from the design of projects to the search for land and including building, financial engineering and marketing to individuals or investors. This expertise provides solid fundamentals enabling the Group to offer new products fully adapted to market expectations.

:-) THE YEAR IN PICTURES

5 stars for five residences.

The Pierre & Vacances-Center Parcs Group is the very first French operator to offer five stars residences according to the new classification of tourism residences.

1 marina in the heart of the Dutch polders.

In the Netherlands, the Center Parcs De Eemhof has had all its cottages entirely renovated, while the Aqua Mundo has gained a new attraction (the Turbo Twister), and a marina offering 100 suites and apartments has been built.

2 french Center Parcs redesigned.

Center Parcs has set about renovating the cottages at Bois-Francis (Normandy, 173 cottages) and Hauts de Bruyères (Sologne, 213 cottages). All of the cottages at the two parks are to undergo renovation works in the future.



AVORIAZ 2012 NEW GENERATION RESIDENCES

The Group's historical birthplace, Avoriaz, is a reference in terms of architecture and urbanism and in order to provide it a new dimension, the Group has imagined new residences housing 478 apartments, under the aegis of architect Jacques Labro who created the "Avoriaz style".

Avoriaz style respected

The Crozats district has been extended with a Maeva residence (L'Electra), and a Pierre & Vacances residence (Les Crozats). A new district, L'Amara, houses the first Pierre & Vacances premium residence in Avoriaz and its Deep Nature Spa® by Algoterm. The residences are a continuation on the resort's architectural style with façades in red cedar wood and overhanging rooftops. Interior design is specific to each brand and respects the Group's quality criteria in terms of elegance and modernity. As of summer 2012, the ski resort is also set to offer the first



mountain resort water park, the Aquariaz, inspired by the Center Parcs' Aqua Mundo. Finally, the project has been undertaken in full respect of the architectural and natural surroundings. Out of the eight new buildings, seven have been classified VHEP* and the eighth, LEB**, exceeding official energy performance standards

by 50%, and is one of the first buildings of this type in a mountain resort. A dual energy wood-electricity centralised heating system is to serve all of the new buildings and also supply the heating and hot water for the Aquariaz. ■

* Very High Energy Performance.

** Low Energy Building.

Main facts

1 Deep Nature Spa®
at Arc 1950. The new "Deep Nature Spa®" concept designed in partnership with Cinq Mondes opened for the winter 2011 season.

The 1,000 m² spa plunges holidaymakers into a natural and pure environment, in originally-designed spaces with soft lighting and a mineral atmosphere.

ADAGIO EUROPEAN NO. 1 IN CITY TOURISM RESIDENCES

With the acquisition of Citéa, the network of budget city residences, Adagio has confirmed **its European leadership**.

In July 2011, Adagio City Aparthotel acquired 100% of the budget city tourism residence operator Citéa.

While the aparthotel formula is proving to be increasingly successful with business and leisure clients, Adagio has rounded out its network with the Citéa residences, which have been renamed, Adagio Access, and hoisted itself to no. 1 position in European city residences. The acquisition brings the total number of apartments owned by the banner in France and Europe to almost 10,000, while the network has two brands: Adagio, for the three/four-star offering, located in the heart of major European cities, and Adagio Access for the budget two-star offering, on city outskirts and in smaller towns.

"With the development of international professional mobility and city tourism, the aparthotel formula is enjoying an increasing success."

Stepped up and controlled development

As a joint venture created in 2007 by Accor and the Pierre & Vacances-Center Parcs Group and benefiting from the expertise of both major operators in tourism and hotels, Adagio City Aparthotel has enjoyed rapid growth.



In **Germany**
soon a new Center Parcs.
The Center Parcs "Park Bostalsee" in the Sarre region of Germany is due to open in summer 2013 in a border region that has high tourism potential.



41 sites
with Green Key label.
41 Center Parcs, Pierre & Vacances and Maeva sites obtained the Green Key label, an international label destined for tourism accommodation respecting the environment.

LES SENIORIALES IN TOWNS TOO

Les Senioriales® has built its success and growth on a residence concept destined for active elderly people, located in pleasant and sunny surroundings and offering single-storey houses ranging from 61 to 107 m² in size. In 2011, 10 years after it was created, Les Senioriales® took a new step forward by deciding to develop the concept in cities under the "Les Senioriales en ville" brand. Five city residences are to be delivered in 2012

and 2013 in Lucé, Agde, Montélimar, Saint-Avertin and Marseille.

Comfort and conviviality

These residences house one to four room apartments, which can be bought or rented. The apartments are specially furnished for elderly people's requirements and the residence offers the services of a manager and a receptionist, as well as the possibility to access events. ■





LOCAL TOURISM

Tourists... close to home

Despite the crisis backdrop, Europeans still consider **holidays a priority**. However, they are travelling for shorter periods and shorter distances and finding things to do closer to home.

Today, the large majority of international travellers do not leave their region. This is the case of European citizens who are making Europe their favourite destination. While this trend is not new, it is likely to gain momentum in coming years. The World Tourism Organisation estimates that intra-regional traffic is set to remain dominant in 2020 and that Europe will still rank among the top three tourism regions.

A lasting trend

In 2011, 57% of French citizens* planning to go on holiday, stated they had chosen France as their destination. A Eurobaromètre survey published in 2011 showed that more than half of European holiday-makers had spent their holiday in Europe that year, with 38% remaining in their home country. With the decline in household budgets, the tendency is for shorter holidays and less far-off destinations.

* Source: DGCIS/TNS Sofres.

Eco-responsible tourists

Eco-citizenship and eco-responsibility notions are playing in favour of local tourism. Accommodation and sites that respect the environment, destinations that can be accessed by train or car and that are a means of taking a break without taking up too much time, all these criteria are an increasing part of consumer choices.

"Sustainable tourism does not require less travelling but travelling differently at a different pace."

Jean Viard, Sociologist, specialised in tourism.

When proximity rhymes with flexibility

These various factors preach in favour of local tourism and geographical proximity since remaining close to home is a way of remaining flexible, with short city

breaks, two-week family holidays, mid-week stays all becoming possible when the destination is only two/three hours away from home and when the holiday budget is spread out by travelling more often but for shorter periods. Holiday durations are varying, as are destinations, depending on the season and everyone's desires. While seaside and mountain options are

still predominant, countryside and city destinations are also exploiting their assets (natural surroundings, rural produce, sports activities, patrimony, cultural activities, etc.) in order to bolster their appeal.

Europe,
the world's leading tourist-generating market.
(source UNWTO)

2011, only spending on flights and domestic travel increased (+0.7%).
(source World Travel and Tourism Economic Forecast)

27% of Europeans favour one-week stays for their summer holidays and 80% of them favour Europe as a destination.
(source Baromètre Ipsos Europ Assistance 2010)

Outlook



Brussels, a capital destination with Adagio

The aparthotels concept addresses business and tourism clients that would like a fully equipped city apartment (kitchen Wi-Fi connection), close to business centres, shops and cultural sites. In Brussels for example, Adagio Brussels Centre Monnaie Aparthotel is located in the heart of the city, in the Anspach galleries between the Grand Place and the Rue Neuve. This is an ideal location for a business trip or a cultural break.

3 QUESTIONS TO JOSETTE SICSIC (TOURISCOPIE)

"Holidaying fairly close to home is not a new trend. What has changed is the content of a family holiday."



Josette Sicsic, Journalist specialised in the tourism and leisure sector.

Why do people travel close to home?
Josette Sicsic: It is quite normal to travel mostly to neighbouring regions, although, of course, this trend has been further strengthened by the financial crisis and rocketing fuel prices.

Families are at the heart of the Pierre & Vacances-Center Parcs Group's client base, have they changed?
J. S.: Yes, even if the traditional family is still dominant. Note above all the steady and significant increase in single-parent families. These families function differently from others, the parents need more services, especially mothers who sometimes feel lonely in holiday situations.

How does the switch from family to tribe occur?
J. S.: These families join up with other families in a similar

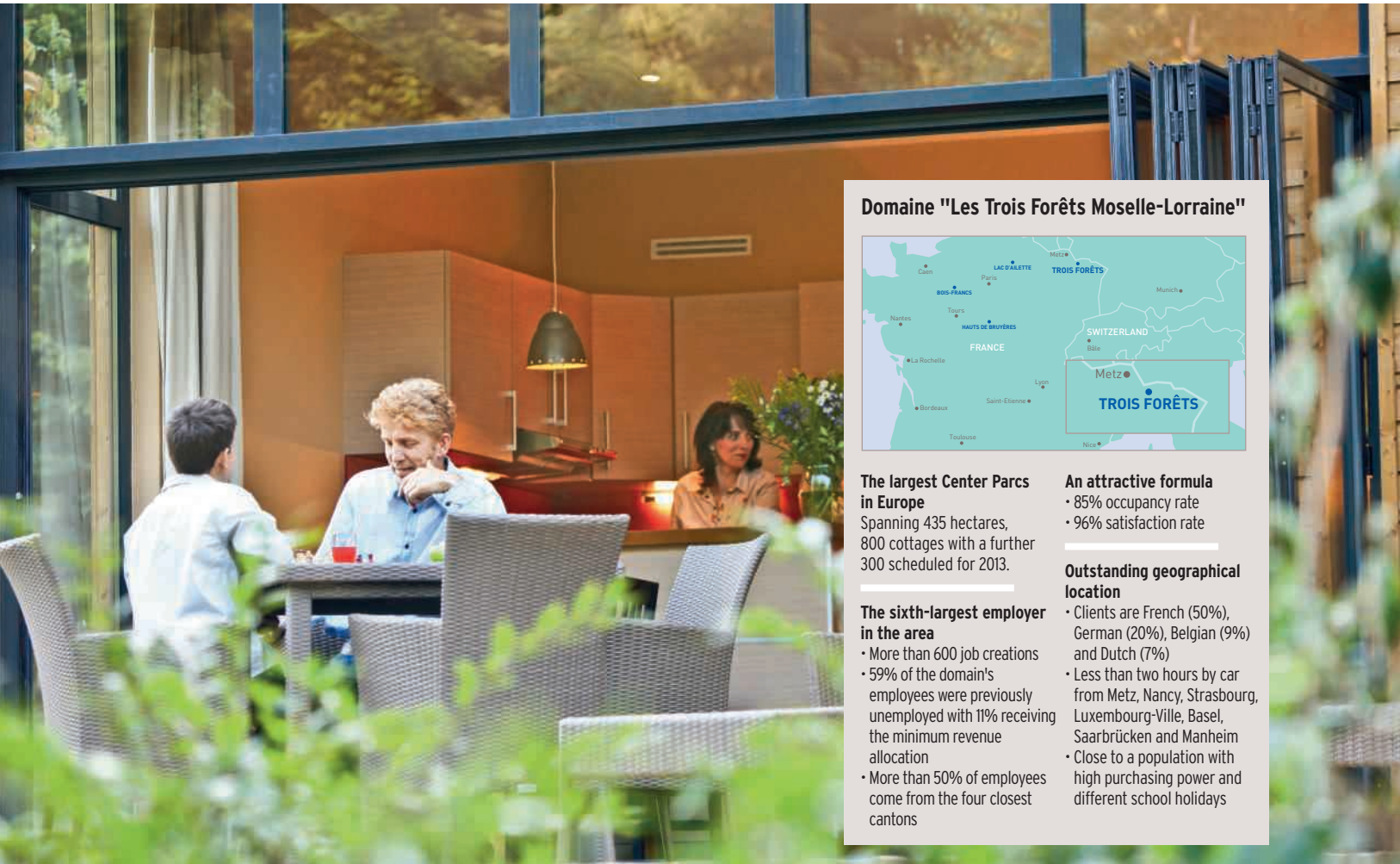
situation and here we find one of the multiple tribal assemblies that exist today. But careful, note that it is mainly mothers who tend to join up with their girl friends. Among other types of recomposed family are inter-generational groups that unite grandparents, grandchildren and children for fairly long holidays. This has become a common practice and often it is the grandparents that pay the bill!

But this does not prevent everyone from having a holiday at their own pace...
J. S.: No that's true. In terms of behaviour, the authoritative family type is declining in favour of what I call a free-style family, where everyone lives at their own pace depending on their own tastes and without worrying about the others.

This conception of holidays is both reassuring and flexible and is at the heart of the Pierre & Vacances-Center Parcs Group offering. With four product lines, residences, villages clubs, all-weather domains and city aparthotels, the Group's various brands offer a unique range of destinations, accommodation, "à la carte" activities and services in Europe. Primarily focused on family customers, this offering enables a large variety of holidays: family holidays on the Côte d'Azur in a Pierre & Vacances village club (with children's club and sports activities for parents), a city break for two in Aix-en-Provence or Berlin in a fully-equipped Adagio aparthotel in the city centre, or an escape to the country with friends in a 10-person cottage at a Center Parcs

in the heart of the Dutch polders or a forest in Sologne. Finally, between seasonal formulas (mountain and seaside) and all-year-round holidays, the Group's various concepts enable holidaymakers to treat themselves all year long. Discovering the sights and gastronomy in the Lorraine region from the Center Parcs des Trois Forêts, taking part in the Romeria at San Miguel from the residence Maeva in Torremolinos or exploring the regional parks in the south of France with the Pierre & Vacances premium eco-nature programme: a change in scenery close to home is now possible for everyone. ■

"The free-style family where each person can follow their own pace and tastes, has replaced the authoritative family."
Josette Sicsic, Journalist.



Domaine "Les Trois Forêts Moselle-Lorraine"



- The largest Center Parcs in Europe**

Spanning 435 hectares, 800 cottages with a further 300 scheduled for 2013.
- An attractive formula**

 - 85% occupancy rate
 - 96% satisfaction rate
- The sixth-largest employer in the area**

 - More than 600 job creations
 - 59% of the domain's employees were previously unemployed with 11% receiving the minimum revenue allocation
 - More than 50% of employees come from the four closest cantons
- Outstanding geographical location**

 - Clients are French (50%), German (20%), Belgian (9%) and Dutch (7%)
 - Less than two hours by car from Metz, Nancy, Strasbourg, Luxembourg-Ville, Basel, Saarbrücken and Mannheim
 - Close to a population with high purchasing power and different school holidays

Center Parcs Moselle, a destination in the heart of Europe

A genuine boost for the local economy, the latest Center Parcs in France has perfectly succeeded its integration.

Opened in May 2010, the Center Parcs "Les Trois Forêts" in Moselle was fully booked as of its first months in operation, attracting international clients. While remaining loyal to the concept which has made the brand successful (a "nature" domain where all activities and services are available), the domain was designed by a close partnership between the Group and local authorities. As such, half of the companies that worked on building

the eco-cottages and facilities came from the Lorraine region. In addition, Center Parcs created 612 jobs or 466 FTE. Recruitment was mainly local and primarily benefited women, young workers and those previously unemployed. More widely, the fall-out in terms of economic activity is estimated at around €20 million a year for the region. A branch of the Deux Sarres tourism office advises visitors on discovering the region. Finally, the Trois Forêts is also a success in terms of environmental integration. Indeed, from the project phase to operating the site, the stance adopted makes the village one of the Group's most advanced eco-sites. ■

WHAT THEY'RE SAYING...



Philippe Leroy, Senator of Moselle,
"The project has made the region more dynamic."
In order to invigorate the south-eastern Moselle region, we turned to Pierre & Vacances to imagine a sizeable project. Today, the success has exceeded our hopes. The domain has restored job prospects to a rural under-qualified population and provided work for local companies in a very high quality project while attracting investors from very different backgrounds. It has gone down even better since the Center Parcs clients also spend outside the domain.



Jean Chabert, CEO Pierre & Vacances Développement,
"One of the most advanced sites in terms of eco-responsibility."
We have genuinely created a destination in the Moselle region. The right ingredients were all present: a large site, natural surroundings of outstanding quality with fantastic views over the Vosges, and major French and German towns just two or three hours drive away. In order to design the domain, we capitalised on the benefits already enjoyed at the Center Parcs in Picardy opened in 2007. In terms of sustainable development, the site is currently one of the brand's most innovative.

"We are really becoming an integrated European group."



A year and a half after the launch of the Group's transformation plan, CEO, Sven Boinet, comments on the initial progress made and sets out the road map for coming months.

The Group has undertaken a transformation plan over three years. What are the aims of this plan?

We started out with one assessment: if we want to satisfy customers and make them loyal by making sure that they enjoy a unique experience at our sites, we have to be more efficient, **more fluid and more simple**. Becoming an integrated group, developing a strong brand strategy, managing customer satisfaction globally and improving our operating efficiency. All the strategic focuses of our transformation plan stemmed from this initial assessment.

Where are we today?

In 2011, we closed the Center Parcs head office in Rotterdam and rehoused the teams

in Paris in a single head office for the Group. We also made decisions concerning our brands, our distribution choices and our IT tools. These first achievements have already started to change the Group's life, but their impact, for example in terms of IT systems, is only set to be fully visible in 2012/13. We are talking about a radical change that is necessarily set to take time. What should be underlined is that the transformation is not taking a toll on our innovative ability. We are more than ever **a company on the move, whose development remains extremely dynamic** as shown by our project portfolio.

What are the next stages?

Structural decisions have been made, our organisation is in place and now we need to make it more efficient, better adapted to challenges and simplified even further. Another major challenge for the Group is **the implementation of our IT tools**. We have chosen not to work in stages but to operate in one go.

What leverage will you use to increase turnover?

Everything we are implementing must contribute to this aim. In 2011, we began to step up **cross-selling** moves with excellent results in Belgium, the Netherlands and Germany. We were a single-market, single-product company and we are now moving towards a multi-market, multi-product stance, with a **genuine inter-country and inter-product distribution network**. In short, we are really becoming a European Group! For me, one of the measures of success of the transformation plan is the **international expansion of our client base** and this is now possible since we have all the factors in place to achieve it, including a client base, strong brands and a unified organisation.

What is your strategy in terms of distribution?

With our new organisation, we are more agile, and this means we can efficiently address our various target clients. Indeed, while families are still at the heart of our offering, our sites also attract business clients, for professional trips at Adagio or for seminars at other brands. We therefore rely on our own distribution teams by developing **direct sales over the internet** considerably. We are also creating partnerships with major players in the market. This year, sales of our brands via online tour operators rose by more than 40%.

Innovation is one of the Group's fundamentals. How is this reflected at present?

It is visible in our major projects: **Villages Nature, the future Center Parcs in Vienne and the Bostalsee and the Noria Oasis in Marrakech Morocco** are all highly innovative projects. However, innovating also means working on what's already in place, on the offering and on customer relations. Creating offers with partners in the Center Parcs domains, launching websites providing access to all of our brands and sites dedicated to relations with our property owners, all of this is also innovation. ■

Cross-selling, an efficient source of leverage



The Center Parcs brand enjoys an **excellent reputation** with Belgian, Dutch and German clients.

Pierre & Vacances are published in brochures for Center Parcs clients. A new website, focused on discovering France has been launched in the Netherlands.

In addition, Pierre & Vacances manages an **outstanding network of sites** in France, which is a favourite destination for northern European tourists. However, the brand is not very well known in Belgium, Germany and the Netherlands and in order to develop its reputation in these three markets, is therefore making the most of **the appeal** enjoyed by Center Parcs. TV and e-mailing campaigns have been launched and inserts concerning

Partnerships have also been created with tour operators, Thomas Cook, Neckermann and Jetair in Belgium, and OAD Reizen in the Netherlands. **This strategy has paid off**. Pierre & Vacances sales to Belgian, Dutch and German holidaymakers heading to French coastal destinations rose by almost 23% in 2011 relative to the year-earlier period.

A **€100 million** increase in same structure turnover over three years.

30% growth in the tourism network out to 2015.

Tourism offering in line with expectations today and tomorrow ;-)

With four product lines, villages clubs, residences, all-weather domains and aparthotels, the Pierre & Vacances-Center Parcs Group offers **a range of destinations, brands and holiday formulas that is unique in Europe.**

Center Parcs - all-year round

The Pierre & Vacances-Center Parcs Group's all-weather offering now has two brands, Center Parcs and Sunparks.

A European offering, Center Parcs has built its success on a concept of short stays accessible all-year round, in forest settings, integrating activities and a covered water park, the Aqua Mundo. In 2011, the brand invested significantly in the quality and contents of its offering, whether in terms of accommodation, facilities and catering. In France, a portion of the cottages at Bois Francs and Hauts de Bruyères has been renovated. In Belgium, Germany and the Netherlands, a €30 million investment plan is underway. At De Eemhof in the Netherlands, the cottages have been renovated, a marina and a range of apartments have been built in the middle of the village and the water park extended to now include the largest water slide in Europe. In France, Germany and the Netherlands, Elior and Albron, the two partners chosen to ensure catering services, have started to invest in renovating stores and shops. Finally, the tourism network has added three Sunparks villages in Belgium.

Pierre & Vacances villages clubs - a unique experience

The Pierre & Vacances villages clubs are season-based and are located in mainland France and the French West Indies. For short stays and holidays during the week, the concept offers exceptional destinations, access to a very comprehensive leisure offering and a range of varied accommodation types (apartments, houses, villas), as well as the discovery of a tourist region. Activities and especially children's clubs are at the heart of this unique offering. Finally, catering, shops and services are all available onsite in the villages clubs. In France, the Pierre & Vacances and Center Parcs brands are now managed in synergy. Cross-selling, distribution, the quality approach, sales actions for new target clients (groups of friends, active elderly, business clients, etc.). All factors aimed at enhancing the reputation of

the two concepts and increasing frequency rates are now mobilised jointly.

Safety and quality, the tourism residence offering

The tourism residence offering includes the Pierre & Vacances, Pierre & Vacances premium and Maeva brands. With a very family-oriented core client base, it derives its strength from three assets that set it apart: a onsite reception and services team, brands boasting a strong store of trust and high-quality equipment (swimming pool and play parks in the majority of the residences). In 2011, the network was rounded out with three new residences in Avoriaz. The Pierre & Vacances brand placed a particular focus on training its teams in 2011 and all staff members (site directors, department heads, receptionists as well as technicians) were provided training in the "service approach".

Adagio, momentum in city tourism

The Group's city aparthotel offering, led by Adagio City Aparthotel, a joint venture between Pierre & Vacances-Center Parcs and Accor is destined for both business and tourism clients. With the acquisition of 100% of Citéa in July 2011, the network now offers an even more comprehensive range of three and four-star apartments and budget accommodation under the Adagio Access brand in replacement of Citéa. In all, the banner has almost 10,000 apartments in France and Europe. Fitted with kitchens and free internet access, these apartments enable guests to feel "at home" when travelling for a professional trip or a city break, with access to optional services (breakfast, seminar room, cleaning and dry-cleaning services, etc.). ■

Residences

- **Pierre & Vacances premium:** Prestige brand - 20 premium residences.
- **Pierre & Vacances:** Upscale brand - 86 Pierre & Vacances residences.
- **Maeva:** Midscale brand - 81 Maeva residences.

City residences

- **Adagio City Aparthotel:** 84 residences in Europe.
- **Adagio:** upscale city brand.
- **Adagio Access:** budget city brand.

All-weather domains

- **Center Parcs:** Upscale short stays, 19 Center Parcs in France, Belgium, Germany and the Netherlands.
- **Sunparks:** Midscale short stays, 3 Sunparks in Belgium.

Villages clubs

Pierre & Vacances villages clubs, Upscale brand, 15 villages clubs in France and Spain.

Our clients first! :D

Resolutely "multi-channel", the distribution strategy at Pierre & Vacances-Center Parcs places the client centre-stage. It is rolled out in all countries where the Group is present, in respect of specific cultural aspects.

The client is more than ever at the heart of the Group's distribution strategy. Whether German, British or French, young parents or active elderly people, everyone must be able to easily access the entire offering and book their holiday via the channel that suits them best: internet, telephone, onsite sales or travel agency. The development of direct sales, especially via the internet, is more than ever a major focus for the Group. However, indirect distribution via partner networks (tour operators, web players, distributors, etc.) is also vital for capturing certain client targets and markets. This approach increases frequency rates at sites and attracts new client categories, especially in the fringe seasons.

Selling directly... or with partners

While Center Parcs already generates a significant share of sales online, in 2011, Pierre & Vacances and Maeva set out to bolster their presence on the internet on a market by market basis. In Belgium and the Netherlands, the two brands enhanced their reputation and their appeal via television advertising campaigns. In Germany, Pierre & Vacances turned to well-established partners in the German market in order to boost sales. In the UK, the Group has combined direct presence on the web and partnerships with operators, while in Spain, it is developing its reputation directly in the local market, in particular for short stays and non-school holiday periods. In emerging markets, Russia, Poland and eastern countries, it is working with specialised players.

Multi-channel distribution also implies direct contact by telephone for complicated or high-value added sales. In order to propose its entire brand and product portfolio to clients and prospective clients, in 2011, the Group merged its call centres. After training in all of the Group's products, all of the operators can now guide individual clients as well as travel agencies and company works councils in their choice of holiday and destination, irrespective ►

60% of combined-brand

sales generated via the internet, the Group's target for 2015.

"Thinking globally but acting locally"

In 2011, the Group laid the foundations of an efficient organisation, with a single marketing and a single web team, one sales force for the works council market and one for the seminars market, unified call centres and all of our sales offices organised in order to promote all of our brand portfolio both in France and outside France.

More than **90** million
visitors a year to all of the Group's
websites.

With Maeva, good ideas to share

Maeva made the headlines in 2011 with a French digital campaign that was both fun and efficient. Helped by the mascot personality, Tom, internet users now have access to a comprehensive interactive tool: a tourist guide of good plans compiled by the Maeva teams with the participation of clients and internet users, a series of 24 viral videos on YouTube and a Facebook tab showing one-off operations.

Destined for families as well as young professionals in the 25-34 year range, the campaign which helped establish the brand's new positioning "*Ouvrez grand vos vacances*" was awarded the e-trade Trophy for 2011.



An increasingly rich message

New tools in the form of social networks are favouring the emergence of a direct dialogue between the Group's brands and their clients. This is a great opportunity to forge ties with a community that is often loyal and sensitive to attentive gestures.

experiences are at the top of the list as shown by the success of the French viral marketing operation launched by Maeva in 2011. More than 700 good ideas were added by clients to the base proposed by the brand's teams on its site! Another sign, operations by Group brands on Facebook and Twitter had a rapid impact, multiplying by four or five the number of fans to reach some 100,000 fans in Europe. In 2011, this privileged client base helped create events such as flash sales, open to a privileged target a few hours before the official launch.

A question of emotion

Beyond sales functions for facilitating choices and transactions, the various brands' websites are therefore increasingly developing an emotional and communicative dimension. This is the aim of the new Pierre & Vacances Nederland site launched in 2011. The site is focused on discovering France as a destination and enjoyed double-digit growth during its first year, with the conversion rate for consultations up 25%. Behind this success is the new technical platform for the European sites of the Pierre & Vacances brand. The platform is more flexible and more reactive and provides web teams in the various countries greater independence in managing the look and feel of their website depending on cultural aspects in their market. ■

Community spirit

Today, the development of internet sales and the boom in social networks provides a new dimension to relations between holidaymakers and their favourite brands which is far more interactive and community based. Among the subjects that inspire internet users, holiday



VIEWPOINT

James Mennekens, CEO Group Tourism: "Encouraging our clients to book earlier"

With the "Toppings" programme launched in 2010, the Group increased the value of its offering. How does this work? Clients at domains in Germany, Belgium and the Netherlands who book early are offered five free activities during their holiday. The offer is efficient since we noted that reservations picked up and it is to be rolled out in the French Center Parcs domains as of 2012.



VIEWPOINT

Charles-Antoine Pinel, Operating MD Center Parcs France and Pierre & Vacances villages clubs: "Distribution? A key challenge."

"Distribution is a key challenge for Pierre & Vacances as for Center Parcs. For the French sites, we are targeting international clients, notably from northern Europe, as well as for shorter holidays all year round, local clients who live less than two hours away from our villages clubs. In order to attract the various targets, the complementary aspects between Center Parcs and Pierre & Vacances are a huge asset."

More than **50,000**
the number of Facebook fans for
Center Parcs at end-2011.

QR-codes, a new dimension in Center Parcs communication

Center Parcs was the first tourism operator to integrate QR-codes into its 2011 brochure. This fun and practical service rounds out the paper version by enabling smartphone users to access photos and videos of the domains or undertake a virtual visit of the new cottages.



of the brand concerned. Distribution of the Group's products also involves original partnerships with players such as Ikea Family or the Camif, whose family client profiles are similar to that of Pierre & Vacances-Center Parcs. Finally, onsite sales remains a channel much appreciated by a number of clients. The Group's sales policy is multiple,

flexible and adapted to the various European cultures. This is now paying off and in 2010/2011, almost 500,000 new clients chose one of the brands in the tourism portfolio. ■

Growing up means choosing :-O

In order to continue to meet client expectations, the Group is pursuing a growth strategy for its tourism network, with the aim of increasing capacity in the network **by 30% out to 2015**. In order to achieve this in and outside France, the Group has a portfolio of ambitious projects founded on eco-tourism and eco-responsibility.

Villages Nature, a major event

A joint venture between Pierre & Vacances-Center Parcs and Euro Disney, the Villages Nature project has entered an operating phase with the registration of the first building permits at the end of 2011. The project concerns a property base of more than 500 hectares and is located 6 km away from the Disneyland Paris park. It is being developed under the framework of a public/private partnership between the French state, the Île-de-France region and the Seine-

et-Marne department and local authorities. The first tranche includes two lakeside villages and a forest village in 259 hectares, surrounding a geothermic lagoon. This novel concept, the elaboration of which calls on the One Planet Living methodology, aims to become a European-wide benchmark in terms of eco-tourism.

Avoriaz 2012, the source of innovation

The Group's larger projects also include the extension of Avoriaz, its historical

birthplace and a laboratory of innovation. Under the framework of the Avoriaz 2012 programme, the resort is to gain three new-generation tourism residences: L'Electra (Maeva), Les Crozats (Pierre & Vacances) and L'Amara (Pierre & Vacances premium), as well as a Deep Nature Spa by Algotherm®. The opening of a water park inspired by the Center Parcs' Aqua Mundo, the Aquariaz, is programmed for summer 2012. Designed in respect of sustainable development standards, this new accommodation and equipment calls on the latest innovation in terms of

10 measurable environmental targets

In order to reduce its ecological footprint as far as possible, a Sustainable Action Plan based on 10 targets (water, transport, culture and heritage, waste management) has been defined for Villages Nature.

+40%

The increase in Pierre & Vacances' accommodation capacity at Avoriaz.

Strategy

green building and operating: VHEP classification for seven out of the eight buildings and the low-energy label BBC for the eighth, a centralised wood heating system which not only serves the residence but also the Aquariaz.

Very upscale segment, a promising niche

In addition, the Avoriaz 2012 project positions the Group in the very upscale market with the five-star residence, L'Amara. In 2011, Pierre & Vacances-Center Parcs was therefore the first market operator to offer a residence corresponding to this new ranking at Avoriaz, Flaine (Les Terrasses d'Helios and Les Terrasses d'Eos), Arc 1950 (Le Village) and Deauville (Presqu'Île de la Touques Residence).

New Center Parcs destinations

The Group is also continuing to develop the Center Parcs domains in France and Germany. By 2015, the number of cottages at the brand should rise from 14,000 to more than 17,000. In France, after the opening of an initial 800 cottages in 2010, the extension of the Trois Forêts domain in

Moselle is programmed in two stages: 109 new cottages are to be delivered in 2012 and 200 in 2013/2014. In the Vienne region a 264 hectare large domain is to offer initial capacity of 800 cottages, while in the Sarre, the Park Bostalsee Center Parcs is to open with 500 cottages in 2013. Another Center Parcs with 800 cottages is planned at Leutkirch in the Baden-Württemberg region.

Spain and Morocco, destinations to be developed

In Spain, Pierre & Vacances-Center Parcs is to increase the number of apartments managed in the main resorts in the country to 3,000, while in Morocco, the Group is setting up the tourism residence concept never seen before in the country with the Noria Oasis, undertaken in partnership with the Groupe Caisse des Dépôts et de Gestion du Maroc. The Noria domain is to include a huge 250 hectares tourism and property complex and on 50 hectares of landscaped ground, offer a village club set around an immense water park. Accommodation is to include 480 tourism residence apartments and homes and 580 secondary residences.



VIEWPOINT

Jean Chabert, CEO Pierre & Vacances Développement: "Our business model guides our development choices."

Our major development focuses embrace our economic model. On the one hand, we create destinations by setting up high-quality equipment accessible all year round with our concepts such as Center Parcs and Villages Nature. City residences are operated all year long and target business and tourism clients, and these also offer good profitability levels. Finally, in Deauville, Flaine and Avoriaz, we are developing very upscale products with our five-star residences, for demanding clients looking for outstanding services.



European no. 1 in city tourism residences

With the acquisition of 100% of Citéa, Adagio City Aparthotel has become the European leader in the rapidly expanding city tourism residence sector. The brand has ambitious development targets for Europe (mainly in France, Germany and the UK) as well as in Russia and Middle-East. Its network is to include 130 residences in 10 countries by 2015. To underpin this aim, the brand can rely on both its increasingly strong reputations and the support of its two parent companies that provide their sales and distribution clout as well as logistical and operational support.

Unrivalled expertise in leisure property

Property development know-how is one of the two pillar's of the Pierre & Vacances-Center Parcs business model, with the tourism network financed by the sale and lease-back of apartments and cottages to individuals. The model is adapted to market specifics: in Spain, the Group operates under management contracts and variable rents, while in Morocco, a property company 85%-owned by the Groupe Caisse des Dépôts et de Gestion du Maroc finances the tourism residences. Design, construction, financing, marketing: the Group's teams master all

Situated on the port key-side, the five-star residence, Presqu'Île de la Touques boasts an outstanding location less than 10 minutes from the town centres of Deauville and Trouville. It combines upscale services (indoor swimming pool, spa, beauty treatments) with eco-responsibility by meeting the standards of the low-energy building label, BBC.

80% of the new Avoriaz 2012 apartments were sold off-plan to private investors within 24 months.

the development stages of a tourism property product. Upstream, they work with the Tourism teams to identify the most attractive destinations and locations and to develop property concepts that meet new market expectations. In the marketing phase, a team of around 100 PPCI executives inform individuals and provide advice (asset management in particular) on the specific aspects of Pierre & Vacances-Center Parcs products. Several times a



VIEWPOINT

Isabelle de Wavrechin, CEO Pierre & Vacances Conseil Immobilier: "New products much awaited by investors."

Investors and asset managers are waiting eagerly for the Group's new projects such as the new Center Parcs in the Vienne, which interests French buyers and that at Bostalsee, which interests Dutch and German clients and prospective investors. The upscale five-star residence offering meets genuine demand and concerns a different client type looking to combine investments with enjoyable holidays at home. At Avoriaz, 50% of the apartments were sold under occupancy formulas at the five-star residence vs. 20% generally for this formula.

year, the Group publishes a bilingual magazine "Bien chez vous" and is developing a website dedicated to its property, presenting owners and future owners programmes concerning marketing, acquisition formulas and details concerning tax benefits, etc. ■



A benchmark player in responsible tourism <3

Through its unique economic model as property developer and tourism operator, the Pierre & Vacances-Center Parcs Group **combines short-term performance and long-term vision.** This specificity is a significant asset for building a group-wide and lasting socially and environmentally responsible approach, at the heart of the company's strategic challenges.

Change in partnership with WWF-France

WWF-France has accompanied the Group from the start and in implementing its commitment in favour of the environment, and especially in employee and client awareness. The sustainable development strategy has gradually matured and has clearly taken root in concrete actions and projects in property development and tourism. Having now reached a satisfactory level of maturity and appropriation, the Group is changing its partnership with WWF-France and is focusing on one-off operations.

In 2011, the Group's first sustainable development action plan, started in 2008, came to an end. The results showed significant progress in terms of environmental management, mobilisation of teams, environmental certification and labelling and strengthening the socially responsible approach. The results are due to be published on the Group's corporate website in Q1 2012.

An increasingly group-wide approach

As part of the transformation plan and merger of its Pierre & Vacances and Center Parcs organisations, sustainable development values have gradually been spread to the entire Group. For the first time in 2011, each of the Group's major departments set themselves annual sustainable development targets and identified the priority projects validated by the Group General Management Committee, in agreement with the Sustainable Development team. This functioning is to be repeated for the roll-out of the new 2012-15 action plan currently being drawn up. In addition, the Group extended the scope of management tools used in the sustainable development approach at sites in operation. The BEST (Be Environmentally and Socially Tremendous) management system, which measures site performance based on 18 social and environmental criteria, is now operational at all French Pierre & Vacances, Maeva, Adagio and Center Parcs sites. In 2012, the tools are to concern Spain, Belgium, the Netherlands and Germany.

Finally, the Group decided to acquire a single information tool for management of HSE risks (Healthy, Safety, Environment). Site information concerning risk prevention for swimming pools, games areas, fire safety, legionnaires disease, and also environmental risks (e.g. prevention of accidental pollution), has now been consolidated and is handled on a Group level.

Landscapes and responsible purchasing

Practices in ecological management of landscapes and responsible purchasing

testify to the Group's aim for progress. After the review undertaken in 2008, work on ecological management of landscapes resulted in the creation of a technical manual on good practices and an ecological management Charter. In 2011, four pilot sites (Villages Clubs Belle-Dune, Cap Esterel, Port Bourgenay and Center Parcs Hauts de Bruyères) created their own landscapes cartography and differentiated management plan in order to adapt maintenance methods to the various types of plant-life (dense or scattered tree coverage, lawns or fields, etc.) and thereby reduce the use of phyto-sanitary products and watering requirements. This approach is to be implemented gradually at all sites.

Since 2007, the Group has also been implementing a responsible purchasing policy, aimed at better integrating sustainable development criteria in choosing its suppliers. This approach applies to all purchase families: services (automotive fleet, professional travel, printers, etc.), construction, and purchases concerning site operation (energy, laundry, etc.).

One action concerns the systematic sending out of a social and environmental assessment questionnaire to prospective suppliers during invitations to tender. This year, among the 149 suppliers concerned, 64 replied to the questionnaire, the majority of which (72%) had a higher-than-average score. For suppliers contacted whose note was below average, a specific interview is arranged to present and discuss their social and environmental responsibility policy. In 2011, the focus was also placed on the systematic integration of two sustainable development criteria in invitations to tender, namely the use of companies employing disabled workers*, and the undertaking of social audits (in line with standard SA 8000) with suppliers located in Asia in risk countries. As such, this year, 100% of Asian suppliers (China, Vietnam) were audited in order to guarantee their respect of the Group's requirements in terms of international employment rights and to identify with them areas of progress in environmental practices. ■

* Medical-social establishments employing disabled workers

3 QUESTIONS TO THIERRY HELLIN

"New ambitions, built together."



Thierry Hellin,
Deputy CEO.

Is 2012 a turning point as the 2008-11 Sustainable Holidays action plan comes to an end?

Thierry Hellin: This first three-year plan mobilised the entire company. However, the regulatory backdrop is now catching up with us and our customers also have high demands. In working on improving our non-financial communication, we noted that a lot of our actions were not valued well enough. As such, we intend to improve the transparency of our commitments and go even further, by generalising our approach and setting new challenges.

How have you gone about achieving this? **T. H. :** In order to define together a new long-term vision, we have chosen a participative approach via a workshop associating the stakeholders: clients, owners, suppliers local authorities, international bodies, NGOs and of course our internal management teams. This work is to be unveiled in Q1 2012 and has helped establish our vision, detail our missions and define the main actions to be taken on and implemented in all our departments.

What is this vision based on?

T. H. : We are not a tour operator like other tour operators. Our original business model is an opportunity and a responsibility for the short and long-term. In order to draw up a lasting sustainable development strategy that creates value for everyone (the company, but also all of our stakeholders), we have three major assets. Firstly, in our role as operator, we are very in tune with client expectations when new sites are designed. Secondly, our position in local tourism is very coherent with current challenges in sustainable development. Thirdly, every year we have the privilege of welcoming more than seven million holidaymakers, who outside their restrictive daily routines, are ready to experiment with new sustainable lifestyle choices.

For further info:
see overview pages 34-37
and the Sustainable
Development tab on the
Group's corporate
website.

In all transparency ;)

The Group is committed to several **labelling and certification programmes** and is taking new steps to make its actions more transparent.

The Group has chosen to enhance visibility on its actions via a wide-ranging programme of labelling and certification, reflecting its commitment to a sustainable approach to the building and operation of its sites. These labels and certifications are delivered by independent expert bodies and testify to the Group's implication and efforts in terms of environmental preservation. This approach also helps meet expectations of clients seeking better visibility on the Group's "green" offering. Indeed, while holidaymakers are increasingly aware of environmental questions, with 86% of French consumers stating that they are prepared to adopt an eco-consumer attitude on holiday and 68% stating they would prefer a ecology-oriented destination*, they are also seeking proof of the

commitments made by tourism players before making their choice. At least 56% of French citizens stated they would be prepared to favour accommodation with an Ecolabel or Green Key-type certification**.

Sustainable building

Founding member of the Green Building Council France, Pierre & Vacances-Center Parcs aims to actively participate in the development and implementation of good practices in sustainable building. In anticipation of the future French energy regulation, *Réglementation Thermique 2012*, over the past two years, the Group has been developing two projects targeting the low-energy building label (*BBC - Bâtiment Basse Consommation*). In addition to the flagship programme to extend the Avoriaz ski resort and the Pierre & Vacances Village

2011
In 2011, 110 central units, 15 laptop computers, 70 CRT (tube) and TFT (LCD) screens and 60 printers were given up for recycling at specialist company AP2R (a disability-friendly employer).

Electricity consumption at the Data Center (server and computers) was cut by 50% at Pierre & Vacances over January to December 2011 and by 66% at Center Parcs over January to June 2011.

70% of suppliers and outsourcers used for the new Les Senioriales residences Le Paradou and Equemaerville are based in the same region as the project.

* Publication Atout France "Tourism and sustainable development", February 2011.

** BVA DT 2007.

*** A green certificate corresponds to the introduction into the electricity network of a mega-watt hour (MWh) of electricity produced by a source of renewable energy.

Club at Belle-Dune, the Center Parcs project in the Vienne region and smaller projects such as the new Pierre & Vacances residence "Presqu'île de la Touques" in Deauville have been designed with this energy performance requirement in mind. The (HQE) High Quality Environmental standard also covers these operations as well as the project to extend the Center Parcs domain in Moselle.

These new operations are also an opportunity to progress in terms of integrating renewable energies. As such, for the new Center Parcs project in Vienne, apart from the choice of a wood heating system to cover heating and hot water requirements for facilities, the Group is studying the possibility of covering car parks with photovoltaic systems.

Operating our sites in respect of man and natural resources

The Group is committed to obtaining Green Key labelling for the Center Parcs, Pierre & Vacances and Maeva sites and in 2011, 41 sites were granted the label. The Green Key eco-tourism label is the first international label destined for tourist accommodation respecting the environment and testifies to the quality and environmental attitude of tourist accommodation operators by assessing management practices for water, energy, waste, landscapes, the development of a responsible purchasing policy and client and employee environmental awareness initiatives. Compliance of each establishment with the label's requirements is verified every three years.

City tourism residence banner Adagio aims to obtain the European Eco-label certification in "tourism accommodation services" for its entire network by 2013. At present, 7 Adagio apart-hotels have the label. The Ecolabel concerns all aspects of a site's operation with higher demand levels for certain subjects such as purchasing energy from renewable production sources (Adagio buys the equivalent of 50% of its annual energy consumption in green certificates***). The brand's new budget range Adagio

2 QUESTIONS TO THOMAS JOLY



Thomas Joly,
National Operator
of Green Key.

What does Green Key labelling bring to a tourism player?

Thomas Joly: It enables an in-depth examination of all environmental management issues. Indeed, our criteria are very comprehensive. Via our questionnaires, site managers assess themselves and realise that all the dispersed actions they had already developed form a coherent whole.

How do you view the commitment made by Pierre & Vacances-Center Parcs?

T. J.: So far, the Group is the only one to aim for a labelling of all of its sites. Apart from the savings generated, image is a genuine issue. Those who do not take this step are likely to be distanced. Today, one French person in five knows the Green Key label and one in three says they are concerned by environmental factors when they buy a tourism product.



Respecting fauna and flora

Each new construction project enables the Group's teams to make fresh progress in terms of preserving natural surroundings. As such, even before the location decision was made, the Center Parcs project in the Vienne region was

the object of an environmental assessment, rounded out with specific plant and animal life studies in order to identify challenges at the site in terms of preserving biodiversity. The master plan was therefore adapted on several occasions. In addition, as far upstream as possible, the Group aimed to implement a constructive dialogue with local environmental associations (Vienne Nature and the LPO* Vienne) which resulted in the signing of an accompaniment and partnership protocol combined with strong commitments in terms of preserving biodiversity. Measures were therefore integrated into the design of the cottages, for example the choice of pile foundations in order to limit the impact on the ground and on marshland, and the integration of birdhouses at the cottages.

* Ligue pour la Protection des Oiseaux - Bird Protection League.

90 hectares replanted for 85 hectares cleared at the Center Parcs Moselle site.

50% above official standards: the energy performance level at the new Pierre & Vacances residence Les Crozats in Avoriaz, classified Low Energy Building Effinergie.

Access is also studying the labelling solutions the most adapted to its product. And finally, another initiative: during 2011, the Pierre & Vacances Village Club at Cannes Mandelieu obtained the "Tourism and Handicap" association label for mental and hearing disabilities. The Group intends to progress in this approach which aims to favour access to tourism and leisure activities for disabled people. ■

Providing information: a leader's responsibility

As a key player in European tourism, Pierre & Vacances-Center Parcs plays an important role in helping to increase public awareness and developing more eco-responsible attitudes.

Specialised in family holidays, Pierre & Vacances-Center Parcs welcomes more than seven million European tourists each year and is in contact with 24,000 individual owners. This store of trust provides the Group a specific role in making its various targets aware of eco-responsible actions.

On site awareness actions strengthened

Over the past four years, the Maeva and Pierre & Vacances brands have developed an events programme entitled "Eco'lidays". Thousands of children have taken part in

activities concerning the environment and protection of the planet. Teenagers have also benefited from specific events at various sites ("star discovery" evenings, filming videos on climate change). Adults also have the opportunity to refresh their knowledge on these subjects at eco-quiz events or by taking part in nature trips. During summer 2011, in Metropolitan France a new mascot, the Happyz bee has been associated with the programme. At the Pierre & Vacances resorts in Martinique and Guadeloupe, a sea turtle carries messages on preservation and awareness events for these challenges were rolled out for the first time in 2011.

This year, the Group also focused on its apartment owners and at the annual general meetings, presented them its sustainable development strategy and ecological management approach to landscapes. At the same time, the Group is working on the creation of indicators concerning relations with owners with the Property Management Division.

Mobilising employees

Like every year since 2008, in order to spread good practices and knowledge of the challenges involved to the entire company, the Sustainable Development team set out to meet employees before

the summer season during a roadshow concerning around 40 sites. Spreading messages of awareness also concerned peak periods throughout the year: a choice of ethical products was offered to staff at the head office for their Christmas shopping; a Sustainable Development Day was organised at the head office in order to present a multitude of daily eco-responsible actions via practical workshops (teaching eco-driving, organic, fair-trade and seasonal cooking, advice provided by an ergonomist); during the Mobility Week, a day dedicated to ecological, economic and convivial transport methods at the head office and at the Center Parcs Hauts de Bruyères;

installation of beehives and a honey tasting session in order to make head office employees aware of biodiversity. In addition, a one-day training day was offered this year to sites committed to the Green Key labelling approach in order to present employees, challenges and functioning of the label as well as their role in obtaining and renewing it. Finally, all Adagio site managers benefited from a half-day awareness programme to welcome a disabled person. Documents were provided in order for them to share this awareness with the rest of their team. Further out, the measure is to be extended to the other Group banners. ■

A second life for furniture and appliances

In 2011, as part of their renovation programme the Adagio Buttes-Chaumont and Le Parc residences and the Center Parcs Hauts de Bruyères turned to specialised associations and companies in order to recycle (re-use or recycling) their furniture and electrical appliances.

A green lease for the Group's head office

In anticipation of July 2013 obligation under the Grenelle 2 law, in 2011, the Group signed a green lease with Icade (an environmental appendix to the current lease) for its head office in the 19th arrondissement of Paris. In this document the two parties commit themselves to stepping up their actions in order to reduce the building's environmental footprint and set quantified targets in terms of energy and water consumption and waste management.

Understanding customer satisfaction

The customer satisfaction questionnaire made available at the PV villages clubs, PV premium, PV residences and Maeva brands was rounded out with questions concerning sustainable development. Clients can now give their opinion on the Group's sustainable development approach at the sites as well as assess the residence's functioning, the services offered and the information available at reception on the following subjects: public transport, accessibility for disabled people, eco-gestures, security, the catering offering in terms of organic, fair-trade and seasonal products and the "Eco'lidays" programme for sites with events organised.



VIEWPOINT

Anthony Caulfield, events manager - Village Club Pierre & Vacances Pont Royal: "Sustainable development is fully integrated into our events programme."

For several years now, we have made the most of our events activities to pass on messages. In order for this to work, especially with children, the events must be fun and natural and there is no question of simply providing hard facts. Indeed, our events teams take these themes 100% on-board and work on integrating them into our activities. For example, last summer, questions and challenges on this subject were part of our outdoor games. Tea-time is also a good moment to teach children good practices and provide information on sorting and recycling. The pedagogical farm is much liked by parents and children and is also a good tool for making families aware of nature and animals.



Progressing together

Accompanying change, harmonising processes, preparing the future: the human resources policy is more than ever at the heart of the Group's strategic challenges and helps forge a same pride in belonging based on a shared identity.

With the merger of the Center Parcs and Pierre & Vacances teams, the Group is now in a genuine international dynamic. Among the major changes that took place in 2011, the Group created a shared services centre (supports, financial and administrative) for Center Parcs. Located in the Center Parcs at Kempervennen, the centre houses very international teams, which now work for all countries where the brand is located. In order to favour the integration of European teams and help managers handle these changes, a comprehensive accompaniment programme was rolled out in 2011.

Accompanying change: a priority

An intranet has been created to answer questions by managers, as well as inform

and accompany them on a daily basis. Personalised training modules in how to manage change have been implemented and around 160 managers have benefited from these. Managers can also turn to dedicated human resources representatives who step in as support in team meetings if necessary. A number of workshops and training models have also been offered to teams, managers and employees in order to provide them the keys to a successful and lasting change, including team seminars and training sessions for operating and project managers.

Assessing employee satisfaction

Initially developed by Center Parcs in 2007, the Delight programme has been widely rolled out to include all of the Group's teams. Via a social survey, this programme assesses employee satisfaction and commitment levels. Employees were called on in each country where the Group is present and at all sites, residences, resorts and offices. Almost 8,000 questionnaires were sent out and a response rate of around 70% was obtained. The results were analysed by topic groups made up of managers and employees and backed by a member of the Management Team in order to answer the priorities expressed in the survey and to propose concrete and feasible actions. More than just a simple motivation programme, this project is part of a wider approach to

making employees loyal and enhancing the sense of belonging to the Group.

Standardised HR procedures

Among the major projects during the year was also the implementation of a single assessment procedure for all employees. In addition to social agreements (strategic workforce planning, pre-retirement etc.) the Group aimed to standardise managerial practices, processes and tools. The new procedure is currently being rolled out in all countries where the Group is present and includes two stages, namely assessment and setting of targets, as well as a review of the year completed, and an interview on career development, reviewing the employee's career and their development prospects within the Group. Since this second stage requires specific accompaniment by managers, an e-learning training programme is to be set up in 2012.

Training and integrating young workers

The success of the transformation plan also implies anticipating requirements as well as possible. As such, the policy to recruit and train young workers is a major source of leverage. Every year, the Group recruits and trains more than 300 young people in the tourism and property businesses. It has also developed 10 specific training sessions with modules on the accommodation business. Around 80% of candidates are employed after these training sessions. Finally, every year the Group employs 1,200 students on work placement at the end of their studies or on professional work experience.

Favouring diversity

The Group's recruitment approach is increasingly attentive to preventing discrimination in the work place, as well as promoting equality of chances and diversity. This commitment has now been formalised in its recruitment policy. On a same-skill basis, all applications are considered and are part of a standard recruitment procedure. Managers are trained and made aware of the right to diversity under the framework of recruit-

ment and mobility situations. Finally, campaigns to value and promote diversity, especially in terms of disability, have been launched internally. ■

For further info: see overview page 36 and the Sustainable Development tab on the Group's corporate website.



VIEWPOINT

Éloïse Salinas, Head of Disability Policy & CSR: "An increasingly-integrated and visible approach to disability."

The Group's disability approach is increasingly anchored in the overall organisation and reality on the ground. Indeed, representatives have been identified in a number of key departments, namely HR for the recruitment and welcoming of disabled work placement candidates, the Purchasing Department for contracts signed with disability-friendly sectors and the IT department for accessibility to our web contents. Internally, awareness is increasing on the back of advertising campaigns like the billboard campaign undertaken in 2011 in order to eliminate prejudices towards disability. The e-commerce, communications and web teams benefited from training on web accessibility. Externally, the Group also advertises significantly in specialist media and is present at exhibitions and shows dedicated to the recruitment of disabled workers. This year, the Group took part in the first virtual recruitment exhibition specialised in disabled workers. PVCP also undertakes more temporary yet sizeable actions. In support of a Group employee with a child suffering from dysphasia, the Disability Policy helped finance training for young dyslexia and dysphasia sufferers to learn how to drive.



VIEWPOINT

Erwin Dezeure, Head of Group Human Resources Development: "We are mobilising our teams for the Toppings programme."

The Center Parcs Toppings programme (five free activities offered to clients who book early) is an important focus of our business plan. In the spring, we therefore organised a number of information sessions for managers followed by a road show in order to present the Group's 2010 earnings to teams at the various resorts in Belgium, the Netherlands and Germany and provide targets and the outlook for coming years. The programme is now part of all employee integration and training programmes. The training sessions are developed by the training centre in Mol, in Belgium.

Online catalogue for individual training rights (DIF) sessions

The catalogue of DIF training sessions is now accessible online. With around 40 modules and three major themes, namely languages (70% of requests), office software and personal development, the programme has been hugely successful with employees and is the object of an advertising campaign on the intranet two or three times a year.

Corporate governance

Gérard Brémont



Sven Boinet



Patricia Damerval



Thierry Hellin



James Mennekens



Isabelle de Wavrechin



Jean Chabert



GROUP GENERAL MANAGEMENT COMMITTEE

This has five members, who are all Group members. These members meet once a week to examine strategic and operational subjects implying all or virtually all of the Group's activities. The Committee also aims to anticipate future changes in the Group's businesses, adapt the strategy as necessary and undertake internal synergies in the Group. Once a month, the CEOs of Pierre & Vacances Conseil Immobilier (Isabelle de Wavrechin) and Pierre & Vacances Développement (Jean Chabert) take part in the Committee.

The main managers of the Pierre & Vacances-Center Parcs Group are employed by the Group's controlling holding company, the Société d'Investissement Touristique et Immobilier SA, which under the framework of its events business makes them available to the Group. These managers undertake management of the company via their own functions and via their active participation in the Group's governance bodies and the various internal committees.

Board of Directors

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

Gérard Brémont
Chairman
Sven Boinet
Chief Executive Officer
Olivier Brémont
Delphine Brémont
SA SITI, represented
by Thierry Hellin

GB Développement,
represented by
Patricia Damerval
Marc R. Pasture
Ralf Corsten
Andries Olijslager

The Group General Management Committee (CODIR)

Gérard Brémont
Chairman
Sven Boinet
Chief Executive Officer
Patricia Damerval
Deputy Chief Executive Officer,
Head of Finance, Development,
Audit, Asset Management

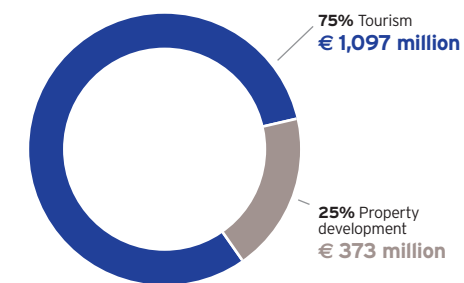
Thierry Hellin
Deputy Chief Executive Officer,
Development, Head of Legal,
Human Resources,
Sustainable Development,
General Services
James Mennekens
Group Chief Executive
Officer for Tourism

Key figures

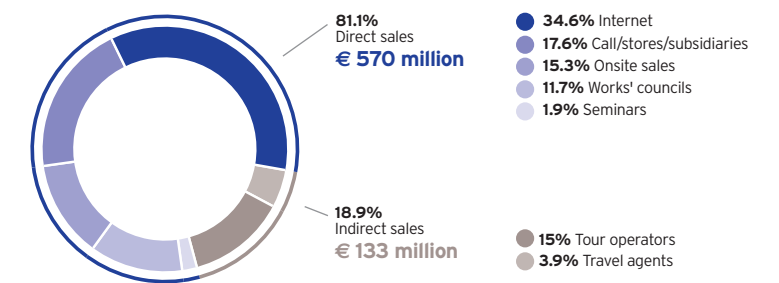
Turnover

€ millions on 30 September 2011

Breakdown of turnover by business



Breakdown of accommodation turnover by distribution channel



€1,470
million
turnover on 30 September 2011

Key figures

€ millions on 30 September 2011

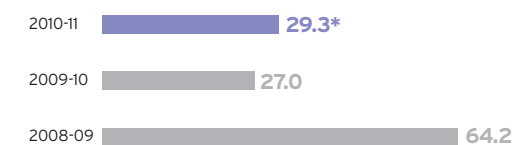
493.7 Equity

42.7 Cash flow

102.6 Net financial debt

Current operating profit

€ millions on 30 September 2011



* o/w Tourism (-€ 2.8 million) and Property Development (€ 32.1 million).

Attributable net profit

€ millions on 30 September 2011



Stockmarket and shareholders

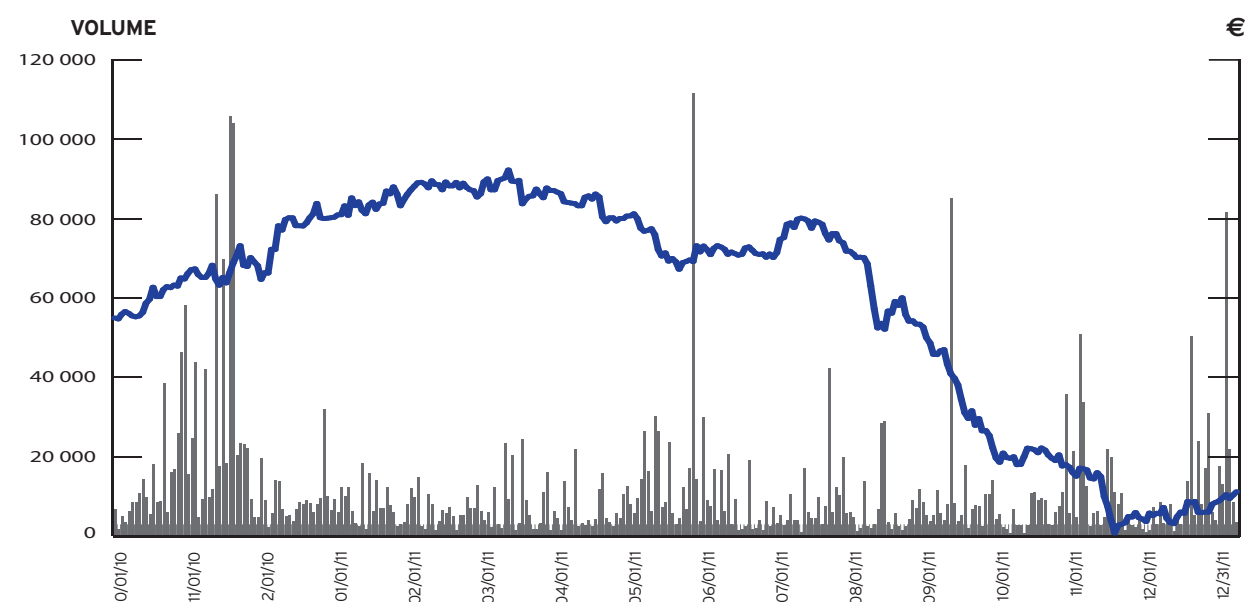
Information to shareholders

In a crisis backdrop, the Group proved its ability to resist during 2010/2011, posting 11.2% growth in like-for-like turnover and 8.5% in underlying operating profit. The transformation plan generated its first positive effects. The targets set in 2010 for a €100 million increase in tourism turnover and €65 million in cost cutting, have been confirmed for 2014.

The ongoing strategy to cut costs, modernise the brands, distribution and management tools, as well as targeted development of high-growth brands and markets via diversified financing methods, is the guarantee of lasting profitability for the Group.

Share price

Since 1 October 2011



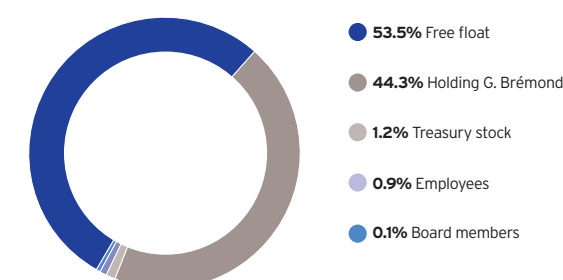
Like all European stockmarkets, the Pierre & Vacances share price has plunged since July 2011, albeit showing deeper declines every time the French government has announced austerity measures or measures to reduce/eliminate tax niches, especially on 24 August (presentation of French government's deficit reduction plan) and 3 November with the announcement that the French government is to end tax advantages associated with rental property investments in 2013 (Scellier and its amendment Censi Bouvard for tourism residences).

Note however that the Group's development via the property development business is not undermined. In 2012, property sales are set to remain high given the ongoing tax advantages of the Censi Bouvard measures. In addition, our investors should continue to benefit from VAT recovery measures and the non-professional furnished letting tax regime which enables the deduction of property and furniture amortisation from rental income. In addition, the Group is studying alternative financing means (marketing in partnership with financial institutions via property investment companies, financing by institutional investors, under lease, variable or fixed rents, management mandates, in partnership with public/private partners etc.). These financing methods have already mostly been used for development outside France in Germany, Morocco and Spain, which is continuing.

Stockmarket and shareholders

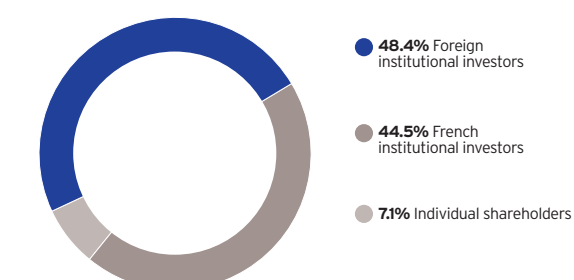
Shareholder structure

on 30 September 2011



Breakdown of free float

on 30 September 2011



€0.70
dividend per share
in 2010/2011

The share

Listing
Euronext Paris, Compartment B
Floated at €17.00 - on 11 June 1999

Indexes
SBF250, Mid & Small 190, Travel & Leisure

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

On 31 December 2011
Market capitalisation of:
€ 226 million
Number of shares in circulation:
8 821 551
Number of voting rights:
12 768 027

Agenda 2011/2012

Financial information

Q1 2011/2012:
19 January 2012
Q2 2011/2012:
19 April 2012
Q3 2011/2012:
19 July 2012
Q4 2011/2012:
18 October 2012

Annual General Meeting
6 March 2012

H1 2011/2012 results
30 May 2012

Full-year 2011/2012 results
6 December 2012

Sustainable development indicators

Recent regulatory obligations for companies concerning non-financial reporting and the expectations of stakeholders in terms of communication on our actions prompted the Group to review the publication of social and environmental data concerning our business ahead of schedule.

The benchmark and analysis of national and international reporting reference systems undertaken in 2011 helped identify new indicators in order to cover an extended range of challenges. A review of the Group's reporting tools and processes was also undertaken in order to formalize the collection, control and consolidation of data. This work resulted in the drawing up of a first version of a Sustainable Development Reporting Protocol.

After this first year, several factors should be noted:

- New data and themes are now covered thereby ensuring better visibility on the Group's actions and greater transparency.
- Seven indicators were verified by an external auditor. The analysis report and overview of indicator files setting out the scope and calculation method for the indicators published can be consulted under the Sustainable Development tab on the Group's corporate website.
- For a number of indicators, 2009-2010 data is not available since the indicators are new or their scope has changed.
- A number of indicators, albeit identified in the Protocol, could not be detailed this year since the data consolidation tools are currently being created (in particular concerning coverage of the following themes: relations with stakeholders, loyalty of practices, social relations).

Environmental indicators

Water and energy consumption

	CPE*	CPE	PV**	PV	CPE & PV	CPE & PV
	2009/2010	2010/2011	2009/2010	2010/2011	2009/2010	2010/2011
No. of sites:	17	21	207	208	224	229
Total water - m³	2,408,678	3,321,209	3,144,519	2,991,690	5,553,197	6,312,899
Volume of water (m³) / week occupied***	NA	6.87	NA	4.50	NA	5.69
Total energy - MWh	NA	654,401	224,268	226,820	NA	881,221
Volume of energy (kWh) / week occupied	NA	1,351	362	411	NA	881
Electricity - MWh	118,018	141,368	188,601	194,627	306,619	335,995
Gas - MWh	472,445	497,057	16,394	17,674	488,839	514,731
Wood heating - MWh	NA	15,976	0	0	NA	15,976
Heating oil - litres	0	0	1,666,589	1,118,023	1,666,589	1,118,023
City heating - MWh	0	0	2,658	3,372	2,658	3,372
Greenhouse gas emissions tonnes of CO2 equ.	NA	155,676	NA	18,271	NA	173,947

Scope:
* CPE (Center Parcs Europe): Center Parcs France, Belgium, the Netherlands, Germany, (excl. Butjadinger Kuste) and Sunparks Belgium.
** PV (Pierre & Vacances): PV and PV premium residences, PV villages clubs (incl. FWI), Maeva and certain Adagio apart-hotels.
Sites in Spain and Italy, Adagio Access apart-hotels and certain Adagio apart-hotels, representing a total of 12% of the Group's accommodation capacity (no. of beds) are not included.
*** Week occupied: a week's holiday irrespective of the number of holiday-makers and the type of apartment.

Waste production

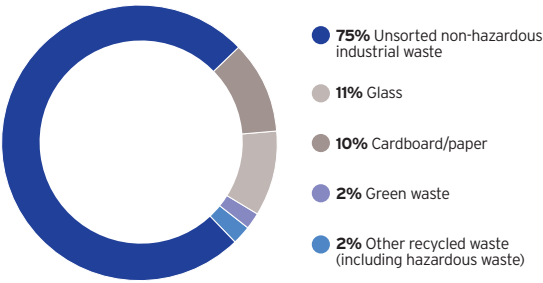
	2010/2011
No. of sites	18
TOTAL (tonnes)	12,869
Percentage of waste sorted (%)	24

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

	2010/2011
Percentage of sites equipped with sorting facilities and encouraging clients to use them (%)	86

Scope: 98 sites in France, excl. Center Parcs France, Adagio and Adagio Access.

Breakdown by waste type



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

Sustainable development indicators

Biodiversity/habitat

	2010/2011
Percentage of urbanised ground made artificial for all new projects delivered (%)	48

Scope: Group excluding Adagio Access.

Environmental management

	2010/2011
Percentage of sites having obtained European ecolabel, Green Key or ISO 14001 environmental management labelling or certification (%)	17.52

Scope: Group.

BEST - internal sustainable development management system based on self-assessment of sites

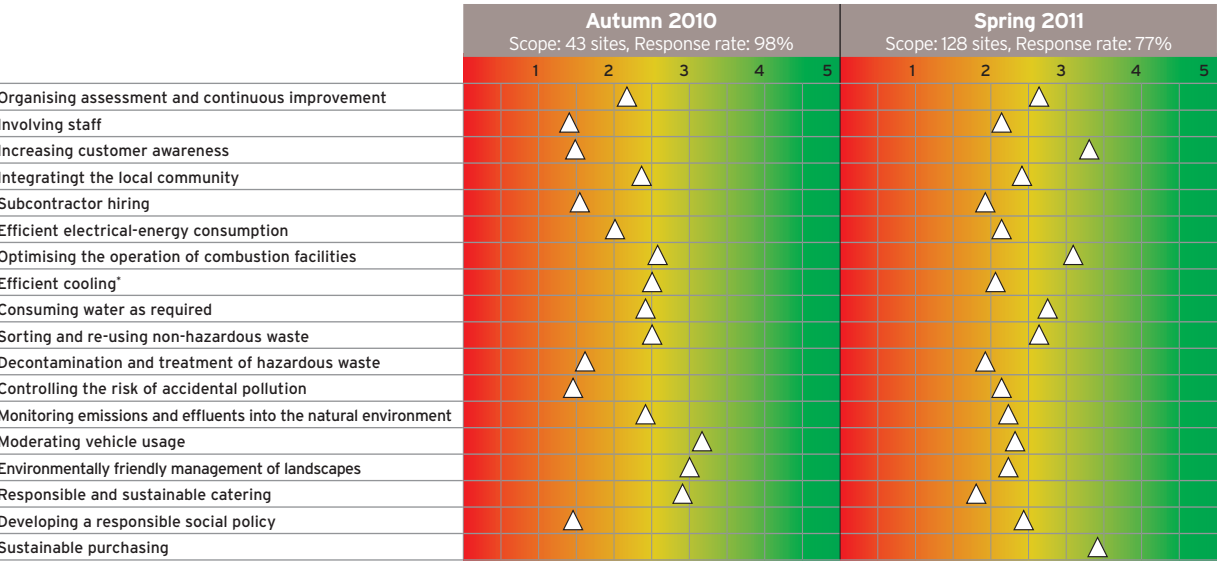
Using Best!

The sustainable development policy at the Group's sites started out with 17 challenges in 2010 and now has 18 in all, after the responsible purchasing policy criteria was added.

The sites are assessed in qualitative terms via actions implemented in favour of this issues with a score ranging from 1 (low) to five (outstanding) awarded for each criteria.

As in 2010, the score system is weighted in order to avoid self-satisfaction and make progress margins visible.

The 2010/2011 annual campaign was divided into two timeframes (autumn and spring) in order to facilitate the relaying of information.



Scope: Sites in France excluding Center Parcs France, Adagio and Adagio Access.
* Optimising refrigeration installations (air-conditioning, coldrooms).

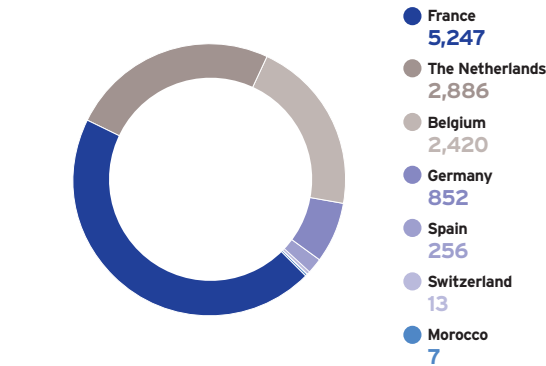
Client transport

	2010/2011
Percentage of sites offering customers car-sharing services (%)	16
Percentage of sites offering customers information on bicycle rental and public transport (%)	92

Scope: 140 sites in France excluding Center Parcs France, Adagio and Adagio Access.

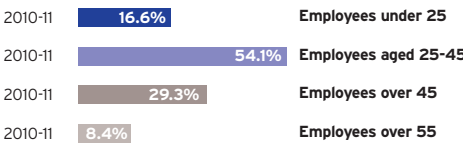
Social indicators

Breakdown of Group employees (number)*



11,681 staff (on 30 September 2011)
7,455 full-time equivalent in 2010-2011

Breakdown of employees by age*

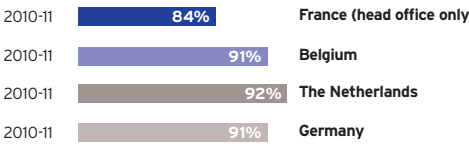


*Scope: Group excluding UK and Italy.

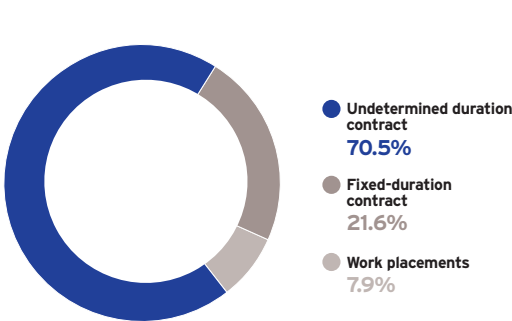
Indicator	Percentage/amount	Scope
Direct employment rate for disabled staff	2.23%	France
Percentage of employees with disability status recruited during the year	2.65%	France
Percentage of disabled employees having benefited from an adaptation of their working environment	10.00%	France
Average no. of training hours per Group employee	1.86	France (only Les Senioriales)
Percentage of staff trained during the year	58.53%	France (only Les Senioriales)
Percentage of employees having benefited from an annual assessment interview	19.66%	France (only Les Senioriales)
Turnover rate	23.37%	France, Belgium, The Netherlands, Switzerland, Morocco, Germany, Spain
Workplace accident frequency rate* (clear majority of non-serious accidents)	34.80	France, Belgium, The Netherlands, Switzerland, Germany

*No. of accidents with sick leave of more than 24h x 1,000,000/no. of hours worked.

Percentage of staff "satisfied" during last Delight annual survey



Breakdown of staff by contract type*



Percentage of women in Group headcount*



Percentage of women managers*



Social indicators

Purchases

	2010/2011
Percentage of spending with audited suppliers under standard SA8000 located in Asia in risk countries (%)	100

Scope: Group excluding Adagio Access and Adagio outside France.

	2010/2011
Amount spent on French disability-friendly suppliers (€)	157,058

Scope: Les Senioriales, head-office and French sites excluding Adagio Access.

	2010/2011
Percentage of sites offering food products covered by organic or fair-trade labeling (%)	20

Scope: Sites in France excluding Center Parcs, Adagio and Adagio Access.

	2010/2011
Percentage of sites offering food products stemming from local sources (%)	20

Scope: Sites in France excluding Center Parcs, Adagio and Adagio Access.

Governance

See 2010/2011 Financial Report: Remuneration paid to corporate officers of the company.

Events and awareness indicators

	2009/2010	Indicator scope	2010/2011	Indicator scope
Staff made aware of sustainable development challenges by the PVCP SD team	364	France: Maeva residences clubs, PV villages clubs	151	France: Maeva and Pierre & Vacances residences
Awareness and training sessions onsite	49	France: Maeva residences clubs, PV villages clubs	19	France: Maeva and Pierre & Vacances residences
Children made aware during events	30,000	France: Maeva residences clubs, PV villages clubs, Center Parcs	20,706	France: Maeva residences clubs, PV villages clubs, Center Parcs
Events coordinators trained in SD challenges	134	France: Maeva residences clubs, PV villages clubs	79	France: Maeva residences clubs, PV villages clubs

Events and awareness: a change in scale

Until 2010, the sites visited were sites with large teams and often a number of other sites located nearby. The decline in the number of sessions and hence, staff made aware, was due to the choice of smaller or medium-sized sites that have not been visited very often. In terms of events, the decline in the number of children made aware was due to the change in the partnership with and the events created by WWF. A panel of events coordinators was also brought together for training in Paris. Until 2010, training for events coordinators took place on the sites with the full team of coordinators.

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