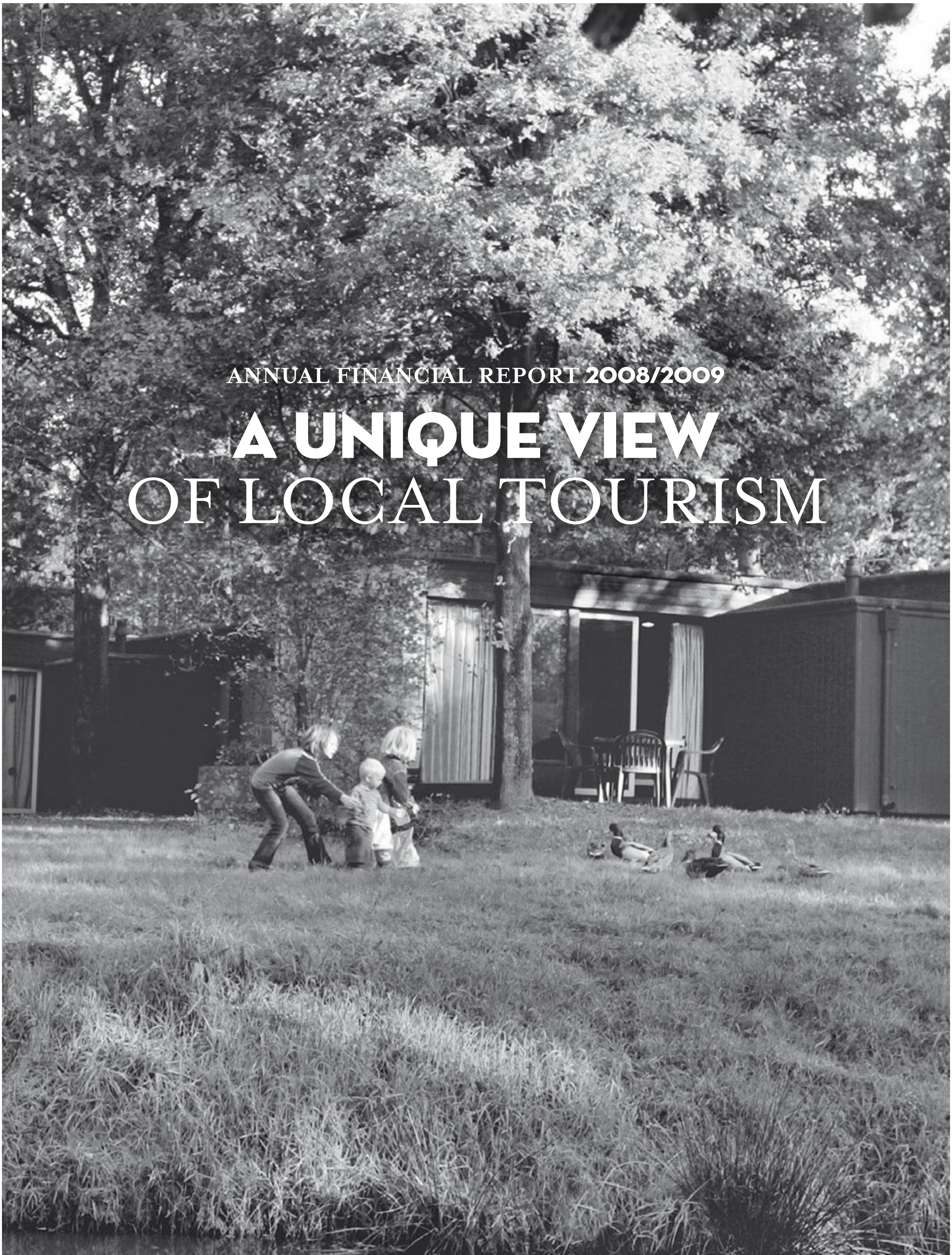
ANNUAL FINANCIAL REPORT **2008/2009**

A UNIQUE VIEW OF LOCAL TOURISM



Groupe

Pierre & Vacances

Center Parcs

PIERRE & VACANCES CENTER PARCS GROUP

Annual Financial Report 2008 / 2009

AMF

The following document named « Annual Financial report 2008/2009 » completed with the « Business Report 2008/2009 » make up the whole reference document submitted (in its original french version) to the Autorités des Marchés Financiers* on january 13, 2010 in compliance with the article 212-13 of its general regulation. It may be used in connection with a financial transaction if completed by a prospectus approved by the Autorité des Marché Financiers*. This document was made out by the issuer and commit the responsability of the signatory.

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THE PIERRE & VACANCES - CENTER PARCS GROUP

GROUP MANAGEMENT REPORT

European leader in holiday residences, the Pierre & Vacances - Center Parcs Group operates some 48,800 apartments and homes, or 227,900 beds primarily located in France (in mountain, seaside and countryside resorts, cities and the French West Indies), the Netherlands, Germany, Belgium, Italy and Spain. The Pierre & Vacances - Center Parcs Group has two complementary businesses, namely the operating and marketing of holidays in holiday residences (79% of 2008/2009 turnover) and property development (21% of 2008/2009 turnover).

Group businesses and performances in 2008/2009

Main events

Reorganisation of the group

In order to bolster momentum in performances and development, the Pierre & Vacances - Center Parcs Group announced the nomination of Sven Boinet, a board member for the group since 2003, to the position of **group CEO** as of 16 November 2009. Gerard Brémond remains Chairman of the Board and is to focus more specifically on the group's property businesses in France and outside France.

The group continued to reorganise its tourism businesses by rolling out a substantial synergies plan between Pierre & Vacances Tourisme Europe and Center Parcs Europe piloted by a single general management team. This pooling of the two units aims to share know-how and finances between Pierre & Vacances Tourisme Europe and Center Parcs Europe in order to increase the efficiency of the two businesses. The synergies plan helped unlock €10 million in savings over 2008/2009.

Expanding the tourism offering

Extension of Avoriaz

The Pierre & Vacances - Center Parcs Group began marketing for the programme to **extend the Avoriaz ski resort**, concerning 475 three and four-star tourism apartments and residences under the MGM, Pierre & Vacances and Maeva brands. Tourism operating for the first residences is due to start in 2011.

Expansion in Morocco

On 27 May 2009, CDG *(Caisse de Dépôt de Gestion du Maroc)* and Pierre & Vacances - Center Parcs signed a strategic partnership agreement to **develop tourism and property projects in Morocco.** Four types of tourist offerings are to be developed:

- Oasis Eco Resorts (Marrakech and Agadir) based around extensive landscaped water parks and offering tourist accommodation under three of the group's banners, Résidences MGM, Pierre & Vacances and Maeva;
- holiday tourism residences;
- city residences under the Orion International and Adagio city aparthotel brands;
- residences for the elderly.

The five-year aim is to build and manage 15,000 beds corresponding to 3,000 homes and apartments, in three phases.

This partnership between the group and CDG *via* its subsidiaries CGI and Madaef is structured around two units:

- a property and tourism operating company, 85%-owned by Madaef and 15% by Pierre & Vacances Morocco. The company is to own tourist accommodation and equipment assets which are to be managed by Pierre & Vacances Morocco *via* a management contract;
- a property development company, jointly owned by CGI and Pierre & Vacances Morocco at 50% each.

The first project, the Oasis Eco Resort in Marrakech, is an emblematic illustration of the tourism and property partnership between the two groups and is part of the integrated planning and development programme for the Chrifia Oasis Resort carried out by CGI. The resort is located south-west of Marrakech less than 10 km from the city centre and is to be designed with a synergy between products and management concerning:

- 480 homes and apartments: Résidences MGM and Pierre & Vacances;
- 450 detached or semi-detached secondary and senior homes;
- sports and leisure equipment including an extensive four-hectare large water park with five children's clubs, shops, restaurants, a medina and seminar rooms, etc.

Property development

The extension of the Scellier tax incentive law to tourism residences (Bouvard amendment) adopted as part of the 2009 French financial law has stimulated the group's property businesses by providing buyers a reduction to income tax of 25% of the price paid, capped at €300,000. This three-year measure plans for a decline in the tax reduction to 20% in 2011 and 2012. Since its creation, the Scellier law has been modified and the 25% tax reduction is now to be maintained unconditionally in 2010. In the following years, the incentive remains at 25% for 2011 for low energy consumption (green) buildings (reduced to 15% for others) and is to drop to 20% in 2012 for green buildings (10% for others) and 15% only in 2013 for green buildings. The Bouvard amendment is therefore set to be modified in consequence.

Acquisitions

The acquisition of the **tourism Intrawest business in the French Alps** was completed on 1 October 2009. For €6 million, the Pierre & Vacances - Center Parcs Group has taken over management of 655 apartments in four-star tourism residences at Arcs 1950 and 138 apartments at Flaine Montsoleil (total turnover of €18 million in 2007/2008).

Disposals

In application of its strategy based on management and development of tourism residences, on 12 October 2009, the group signed a promise to **sell off the business franchises for three Latitudes hotels** (Val d'Isère, Arc 1800, Les Ménuires) to Hotello, a subsidiary of the Algonquin group.

Group turnover

Over the full-year running from 1 October 2008 to 30 September 2009, group turnover totalled €1.451,3 billion.

(in millions of euros)	2008/2009	2007/2008	Current structure	Like-for-like(*)
Tourism	**1,148.0**	**1,168.5**	**-1.8%**	**-1.3%**
Accommodation turnover	*616.6*	*624.5*	*-1.3%*	*-0.6%*
Pierre & Vacances Tourisme Europe(1)	536.8	540.4	-0.7%	+0.4%
Center Parcs Europe(2)	611.2	628.1	-2.7%	-2.7%
Property development	**303.3**	**256.0**	**+18.5%**	**+18.5%**
TOTAL FULL-YEAR	**1,451.3**	**1,424.5**	**+1.9%**	**+2.3%**

(*) On a like-for-like basis, turnover has been adjusted for the impact of strike action in the French West Indies which led to the closure of the Guadeloupe site.
(1) Pierre & Vacances Europe houses the Pierre & Vacances, Adagio city aparthotel, Maeva, Résidences MGM and Hôtels Latitudes banners.
(2) Center Parcs Europe houses the Center Parcs and Sunparks banners.

Turnover from the **tourism businesses** fell 1.3% on a like-for-like basis to €1,148.0 million including accommodation turnover of €616.6 million, down 0.6% like-for-like:

Turnover at **Pierre & Vacances Tourisme Europe** rose by 0.4% to €536.8 million excluding the impact of strike action in the French West Indies, with accommodation turnover in the division up 0.4% like-for-like to €325.5 million. Performances in mountain and city destinations made up for the decline noted in seaside destinations which was primarily caused by site closures during the winter months for renovation works (Cap Esterel and Rouret mainly). Direct sales via the Internet rose by almost 20% to account for 21% of total sales over the year vs. 18% in the previous year. This growth boosted average letting rates, which rose 4.1% over the year (distribution mix and period mix impacts mainly).

Turnover at **Center Parcs Europe** dropped 2.7% to €611.2 million, including a 1.7% like-for-like decrease in accommodation turnover to €291.1 million, with growth in French clients not entirely making up for the decline in Dutch and UK holidaymakers. Direct sales via the Internet continued to grow to around 48% of total sales vs. 45% in the previous year, with average letting rates rising by 1.1% over the year.

2008/2009 **property development** turnover rose 18.5% to €303.3 million compared with €256 million in the year-earlier period and stemmed for 77% from new residences (Center Parcs Moselle-Lorraine and Sologne, residence MGM in Houlgate, extensions at Belle Dune…) and 23% from renovations (Paris La Défense, Val Thorens…).

Reservations remained at a high level since the extension in April 2009 of the Scellier tax incentive law to tourism residences. Over 2008/2009, reservations totalled €395.3 million (including VAT) for 1,562 units vs. €308.8 million in 2007/2008.

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Tourism businesses

Key indicators

(in millions of euros)	2008/2009	2007/2008	*Current structure*	*Like-for-like(*)*
Turnover	**1,148.0**	**1,168.5**	**-1.8%**	**-1.3%**
o/w accommodation	616.6	624.5	-1.3%	-0.6%
o/w services businesses(1)	531.4	544.0	-2.3%	-2.1%
Net ALR(2) (in euros)	**589**	**574**	**+2.7%**	
No. of weeks sold	**1,046,260**	**1,088,519**	**-3.9%**	
Occupancy rates	**67.1%**	**70.6%**	**-5.0%**	

(*) Like-for-like turnover has been adjusted for the impact of strike action in the French West Indies which led to the closure of the Guadeloupe site.
(1) Catering, events, mini-market, shops, marketing…
(2) Average letting rates by week of accommodation net of distribution costs.

Tourism accommodation turnover fell by 1.3% to €616.6 million due to:

- the 5% decline in average occupancy rates in both of the group's brands, which are particularly sensitive to non-school holiday periods;
- a 2.7% increase in average letting rates, stemming from a 4.1% increase at Pierre & Vacances Tourisme Europe and a 1.1% rise at Center Parcs Europe primarily prompted by distribution mix and period mix effects.

The European tourism sector has a seasonal nature with considerable changes in business depending on the period (school holidays) and the destination (better mountain business in winter and seaside business in summer). The group's tourism business was historically solely based in France and in residences primarily located at seaside and mountain resorts which have a clear seasonal nature. This seasonal aspect has been cushioned by the development of products that are open throughout the year, such as Center Parcs and the city residences (Adagio city aparthotel).

Breakdown of group accommodation turnover by client origin

	Pierre & Vacances Tourisme Europe		*Center Parcs Europe*		*Total*	
	2008/2009	2007/2008	2008/2009	2007/2008	2008/2009	2007/2008
France	70.6%	71.0%	27.3%	25.5%	50.2%	49.4%
The Netherlands	3.4%	3.3%	35.7%	37.0%	18.7%	19.3%
Germany	3.1%	3.1%	21.3%	21.2%	11.7%	11.7%
Benelux	3.7%	3.5%	12.5%	12.6%	7.8%	7.8%
UK	6.0%	6.7%	1.3%	2.1%	3.8%	4.5%
Others	13.2%	12.4%	1.9%	1.6%	7.8%	7.3%

In 2008/2009, 50.2% of turnover was generated by French clients and 49.8% by non-French clients, primarily Dutch (18.7%) and German (11.7%) given that Center Parcs Europe has eight villages in the Netherlands and four villages in Germany.

Characteristics of tourism residence portfolio on 30 September 2009

Breakdown by brand

	Pierre & Vacances[1]	Maeva[2]	Résidences MGM	Hôtels Latitudes	Adagio	Citéa[3]	Center Parcs	Sunparks	Total
Residences/Villages	**92**	**81**	**10**	**12**	**23**	**55**	**13**	**8**	**294**
Apartments/homes	**16,983**	**8,505**	**861**	**1,152**	**3,151**	**5,002**	**9,452**	**3,734**	**48,840**
Beds	**89,837**	**39,333**	**5,529**	**2,813**	**10,469**	**12,995**	**47,497**	**19,444**	**227,917**

(1) 17,133 apartments and 90,587 beds including marketing business.
(2) 13,985 apartments and 66,733 beds including marketing business.
(3) The group owns 50% of Citéa in partnership with Group Lamy, which manages under mandate the entire 2-star category city residences offering.

In all, the group's tourism residence portfolio increased by 1,642 apartments/homes and 5,719 beds. This increase stemmed primarily from the opening of eight new city residences under the Adagio and Citéa brands and of four new residences in Spain. Note also that four Center Parcs residences (two in Germany and two in the Netherlands) were transferred to the Sunparks brand in order to standardise supply and to clearly segment the two brands.

Geographical breakdown (number of apartments/homes)

	Pierre & Vacances Tourisme Europe	Center Parcs Europe	Total
Mainland France	33,487	2,486	35,973
French West Indies	851	-	851
The Netherlands	-	5,263	5,263
Belgium	-	3,124	3,124
Germany	-	2,313	2,313
Switzerland	77	-	77
Italy	277	-	277
Spain	962	-	962
TOTAL	**35,654**	**13,186**	**48,840**

At end-September 2009, the Pierre & Vacances - Center Parcs Group operated 75.4% of its sites in France, where it offers numerous destinations including the northern Alps, the Pyrenees, the French Riviera, the Atlantic and Channel coasts, the French provinces and the French West Indies. In Europe, the group is also present in the Netherlands (10.8% of portfolio), Belgium (6.4%) and Germany (4.7%) via the Center Parcs and Sunparks villages.

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

	Pierre & Vacances Tourisme Europe	%	Center Parcs Europe	%	Total	%
Individual investors	31,755	89.1%	1,174	8.9%	32,929	67.4%
Leases	26,435		1,174		27,609	
Mandates	*5,320*		-		*5,320*	
Institutional investors	*3,735*	*10.5%*	*12,012*	*91.1%*	*15,747*	*32.2%*
Leases	2,782		12,012		14,794	
Mandates	*953*		-		*953*	
Group portfolio	*164*	*0.4%*	-	-	*164*	*0.4%*
TOTAL	**35,654**	**100%**	**13,186**	**100%**	**48,840**	**100%**

The tourism portfolio is operated in two ways, either via lease or mandate agreements:

- under lease agreements, the lessee (Pierre & Vacances - Center Parcs Group) pledges to pay a rent irrespective of the profits generated by operating the property. As such, the 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 services provider and bills for management and marketing fees. Operating income accrues to the owner (the client). 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.

On 30 September 2009, 67.4% of the group's apartments operated were owned by individual investors, 32.2% by institutional investors and the remaining 0.4% by the group.

At Pierre & Vacances Tourisme Europe where the majority of the tourism residence portfolio is located in France, 89.1% of the apartments belong to individual investors and 10.5% to institutional investors while just 0.4% is currently owned by group.

At Center Parcs Europe, 91.1% of the portfolio belongs to institutional investors. Note however than 870 cottages at the Center Parcs Domaine du Lac d'Ailette and 203 of the new cottages at the domain des Bois Francs delivered in 2007 were sold to individual investors in line with the group's historical model.

Pierre & Vacances Tourisme Europe

2008/2009 turnover totalled €536.8 million, up 0.4% compared with 2007/2008 and excluding the impact of strike action in the French West Indies.

Accommodation turnover dropped 0.9% on a current-structure basis to €325.5 million, but notched up 0.4% excluding the impact of strike action in the French West Indies.

Average Letting Rates rose by 4.1% to €586 per week sold. This growth was primarily driven by the improvement in the distribution mix given that the share of direct sales (call centre, stores, on-site sales, seminars, corporate works councils and internet) accounted for 75% of sales, with growth of 20% in Internet sales to 21% of total sales vs. 18% in 2007/2008. For indirect sales, on-line sales to tour operators doubled to account for 4.5% of sales during the year. On-line sales (direct and indirect) represented around 26% of accommodation turnover.

Occupancy rates fell 5.1% to 61.9% vs. 65.2% in 2007/2008. The decline concerned all brands with the exception of Résidences MGM where the occupancy rate rose from 78.3% last year to 79.1%. Growth in supply was limited during the year to 0.9%.

Sales generated with French clients accounted for 71% of total sales as in the year-earlier period. Excluding the impact of strike action in the French West Indies, sales to French clients were stable. Sales to non-French clients were virtually stable, with high growth in the Spanish and Russian/eastern European markets which offset the decline in UK and Scandinavian clients.

By destination, 2008/2009 accommodation turnover broke down as follows:

Seaside resorts

Accommodation turnover fell 0.8%, reflecting a 5.9% fall in the number of nights sold and a 5.4% increase in average letting rates.

The decline in turnover stemmed primarily from the French Riviera and was mainly due to the closure during winter months of the Cap Esterel and Rouret sites for renovation.

The slight 0.8% decline in turnover on the Atlantic coast stemmed from the withdrawal from a site at Pornichet.

Mountain resorts

Turnover at mountain resorts rose 1.3% on the back of 2.7% growth in average letting rates offset by a 1.4% decrease in the number of nights sold with a -1.5% decline in supply.

Turnover at the Résidences MGM (+2.8%), Maeva (+2.6%) and Pierre & Vacances (+1.4%) brands grew whereas that at Hôtels Latitudes fell 5.2%.

Growth was driven by domestic sales (+3.6%) and on the back of direct sales, especially Internet sales.

City residences

Growth in accommodation turnover from city residences rose by 1.4%, notably on the back of higher average letting rates. This destination benefited from a supply effect with the delivery of sites in Strasburg and Toulouse and the annual operation of the residences at Paris Opera, Paris Montrouge, Paris Esplanade, Annecy and Basel.

French West Indies

Accommodation turnover fell by 28.6%, exclusively reflecting a decline in volumes. Business at the two villages operated by the group was dented by strike action affecting the French West Indies in H1 2009 with the site at Saint Anne in Guadeloupe have been more harshly hit prompting total closure of the site from 12 February to the end of June.

Number of apartments

	2008/2009	2007/2008	Change
Seaside	17,717	16,993	+724
Mountain	8,933	9,190	-257
City	8,153	7,245	+908
French West Indies	851	851	0
TOTAL	**35,654**	**34,279**	**1,375**

Accommodation turnover

(in millions of euros)	2008/2009	2007/2008	Change
Seaside	169.2	170.6	-0.8%
Mountain	89.6	88.5	+1.3%
City	57.8	57.0	+1.4%
French West Indies(*)	8.9	12.5	-28.6%
TOTAL	**325.5**	**328.6**	**-0.9%**

(*) Impact of strike action in French West Indies (closure for five months of Guadeloupe village).

Average letting rates for (one week's rental)

(in euros before VAT)	2008/2009	2007/2008	Evolutions
Seaside	549	520	+5.4%
Mountain	620	603	+2.7%
City	673	664	+1.4%
French West Indies	540	537	+0.6%
Average	**586**	**563**	**+4.1%**

Number of weeks sold and occupancy rates

	No. of weeks sold			*Occupancy rate*		
	2008/2009	2007/2008	Evolutions	2008/2009	2007/2008	Change
Seaside	308,466	327,961	-5.9%	57.5%	60.9%	-5.6%
Mountain	144,689	146,689	-1.4%	73.0%	72.9%	+0.1%
City	85,826	85,823	0.0%	63.3%	73.1%	-13.3%
French West Indies	16,559	23,320	-29.0%	64.3%	63.8%	+0.9%
TOTAL	**555,540**	**583,793**	**-4.8%**	**61.9%**	**65.2%**	**-5.1%**

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Center Parcs Europe

2008/2009 turnover at Center Parcs Europe resisted well, dropping 2.7% like-for-like to €611 million. Accommodation turnover dipped 1.7% to €291.1 million. The performance by villages in France was excellent, while that in the Dutch, Belgium and German villages was lower than last year. The decline in accommodation turnover was primarily due to Dutch clients (-5.1%) whereas accommodation turnover with French clients rose by 5.5%.

The number of nights sold dropped 2.8% and occupancy rates were under pressure in all countries. However, despite growth in supply in 2008/2009 (extension of villages in the Netherlands, Germany and France for a total of 267 new cottages), occupancy rates remained high at 75.7%.

Average letting rates rose 1.2% to €593 million per week driven by the success of sales in France and notably the success of the upscale Domaine du Lac d'Ailette.

In 2008/2009, the share of direct sales (Internet, call centre, seminars, works councils and on-site sales) rose by 1.1% to 90% of accommodation turnover compared with 87.5% in 2007/2008, on the back of 4.8% growth in Internet sales, which accounted for 48% of accommodation turnover during the year vs. 45% in 2007/2008.

Turnover generated by services activities (catering, sports and leisure, shops, children's clubs, etc.) fell by 4.4% in line with the decline in the number of nights sold during the year.

By destination, 2008/2009 accommodation turnover broke down as follows:

The Netherlands

The extensions of the Heijderbos and Kempervennen villages were delivered in January 2009. In a difficult backdrop, accommodation turnover dropped 4.3% to €115.3 million. Turnover was dented by the 4.4% decline in Dutch clients and 31.1% fall in UK clients.

In a highly competitive market with sharp pressure on prices, Average Letting Rates remained stable, down 1.6% to €571 a week. Although occupancy rates dropped 5%, they remained at a high level of 77.9%.

Internet sales growth helped increase the share of direct sales from 86.2% in 2007/2008 to 87.9% in 2008/2009. Internet sales now account for 48% of sales vs. 45% in 2007/2008.

France

As in previous years, accommodation turnover generated by the French villages was robust, rising 5.6% to €81.0 million, notably driven by sharp growth in turnover prompted by French clients (+7.5%). Occupancy rates remained at a high level of 83.8%.

Growth of 4.1% in average letting rates to €776 a week was driven by the product mix with the upscale positioning of the Domaine du Lac d'Ailette and delivery over the year of 43 luxury VIP cottages at the Domaine Les Hauts de Bruyères, as well as by the price policy and distribution mix.

The share of direct sales rose to 97.4% thanks to growth of 11.7% in Internet sales, which accounted for 43% of 2008/2009 sales.

Belgium

The declines in turnover of 5.6% with Dutch clients and 44.2% with UK clients took a toll on accommodation turnover at the Belgian villages (down 4.7%) due to the 4.5% decrease in the occupancy rate to 66.7%.

The renovation programme at Sunparks started in 2007/2008 together with lower distribution costs enabled a 1.2% rise in average letting rates.

Direct sales totalled 89.2% of total sales at the Belgian villages vs. 87.4% in 2007/2008, with Internet sales accounting for 55%.

Germany

The 3% decline in accommodation turnover at the German villages notably reflected the 4.3% fall in turnover generated with Dutch holidaymakers.

This decline was limited by growth of 1.3% in average letting rates to €445 a week, as well as growth in the number of nights offered following the delivery of 70 new cottages at Bispingen.

The 6.7% increase in Internet sales prompted the share of direct sales to rise from 79.1% in 2007/2008 to 81.6% in 2008/2009. Internet sales accounted for 50% of total sales.

Number of apartments

	2008/2009	2007/2008	Change
The Netherlands	5,263	5,109	+154
France	2,486	2,443	+43
Belgium	3,124	3,124	0
Germany	2,313	2,243	+70
TOTAL	**13,186**	**12,919**	**+267**

Accommodation turnover

(in millions of euros)	2008/2009	2007/2008	Change
The Netherlands	115.4	120.6	-4.3%
France	81.0	76.7	+5.6%
Belgium	56.8	59.6	-4.7%
Germany	37.9	39.1	-3.0%
TOTAL	**291.1**	**296.0**	**-1.7%**

Average letting rates (one week's rental)

(in euros before VAT)	2008/2009	2007/2008	Change
The Netherlands	571	580	-1.6%
France	776	746	+4.1%
Belgium	574	568	+1.0%
Germany	445	439	+1.3%
Average	**593**	**587**	**+1.1%**

Number of weeks sold and occupancy rate

	No. of weeks sold			*Occupancy rate*		
	2008/2009	2007/2008	Change	2008/2009	2007/2008	Change
The Netherlands	202,160	207,874	-2.7%	77.9%	82.0%	-5.0%
France	104,320	102,836	+1.4%	83.8%	86.4%	-3.0%
Belgium	98,922	104,944	-5.6%	66.7%	69.9%	-4.4%
Germany	85,318	89,071	-4.2%	73.5%	80.8%	-9.0%
TOTAL	**490,720**	**504,725**	**-2.7%**	**75.7%**	**79.7%**	**-5.1%**

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Property development

Property development turnover rose 18.5% to €303.3 million compared with €256.0 million in 2007/2008.

Breakdown of 2008/2009 property development turnover by programme

(in millions of euros)

New P&V	*192.2*
Moselle-Lorraine	127.2
Houlgate	19.6
Belle Dune 2	13.1
Manilva	8.7
Le Rouret Hibiscus	8.6
Hauts de Bruyères extension	8.0
Other	7.0

New Les Sénioriales	*35.0*
Bergerac	5.9
Saint Privat des Vieux	5.0
Salles sur mer	4.9
Grasse	4.2
Other	15.0

Renovation P&V	*56.1*
Paris Bastille	25.2
Paris La Défense	8.8
Val Thorens Machu Pichu	5.3
Le Pouliguen	5.0
Cap d'Agde Rochelongue	2.7
Cannes Francia Ingres	2.5
Courchevel Forum	2.1
Other	4.5

Other P&V	*20.0*

Turnover from new programs stood at €192.2 million vs. €100.8 million in 2007/2008. The following programmes contributed to this performance:

- Center Parcs programmes: the future Domaine du Bois des Harcholins in Moselle-Lorraine with 870 cottages which is due to open in spring 2010 and the extension of the Domaine des Hauts de Bruyères in Sologne (52 units) which was delivered during 2008/2009;
- the main programmes delivered in France: the beach homes at Belle Dune (95 units), the Green Beach homes at Port en Bessin (46 homes), Branville Colombages 3 (52 units) and the extension of the Hibiscus homes at Rouret (50 units);
- the seaside programme at Houlgate (126 units), which is due to be operated as of spring 2010;
- the Manilva programme located in the south of Spain (328 units), for which delivery and operational start-up took place during the year;
- the Senioriales programmes, four of which were delivered during the year (Saleilles, Bergerac, Saint Privat des Vieux and Grasse) while 13 others contributed to turnover during the year.

Renovation turnover (including "other" turnover) accounted for 25% of 2008/2009 turnover in the property development division vs. 41% in 2007/2008.

The main contributions to renovation turnover in the year concerned the Paris sites at the Bastille (138 units) and La Défense (99 units), for which delivery is planned during 2009/2010.

Other building complexes acquired from institutional investors during 2007/2008 underwent renovation, including Val Thorens Machu Pichu, the Cramphore residence in Pouliguen, the Ingres de Cannes Francia residence and apartments at Cap d'Agde Rochelongue.

"Other" turnover totalled €20 million over 2008/2009 compared with €21.1 million in 2007/2008 and was primarily made up of non-group marketing fees and the write-back of support funds from property programmes already delivered.

Deliveries

	New (N)/ Renovation (R)	No. of housing units 2008/2009	No. of housing units 2007/2008
Belle Dune 2	N	95	
Branville Colombages 3	N	52	
Port en Bessin 2	N	46	
Channel		**193**	**24**
Le Pouliguen	R	6	
Atlantic		**6**	**132**
Cannes Francia Ingres	R	30	
Cap d'Agde Rochelongue	R	17	
Riviera		**47**	**111**
SEASIDE		**246**	**267**
Le Rouret Hibiscus	N	50	
COUNTRYSIDE		**50**	**0**
Val Thorens Machu Pichu	R	70	
MOUNTAIN		**70**	**484**
Hauts de Bruyères extension	N	52	
CENTER PARCS		**52**	**0**
CITIES		**0**	**202**
Manilva	N	328	
SPAIN		**328**	**0**
Bergerac	N	61	
Grasse	N	59	
Saint Privat des Vieux	N	53	
Saleilles	N	53	
LES SENIORIALES		**226**	**318**
OVERALL TOTAL		**972**	**1,271**

1

Property reservations including VAT

Group and non-group property development turnover (the amount of reservations including VAT signed over the year net of cancellations during the same period) totalled €395.3 million, representing 1,526 reservations. Excluding Les Senioriales, reservations totalled €333.3 million (€31.8 million of which for resales) vs. €274.4 million in 2007/2008 for 1,258 reservations (€53.8 million in older buildings).

Reservation contracts enable buyers to reserve a property asset currently being built or renovated from a seller in return for payment of a deposit.

	2008/2009	*2007/2008*	*Change*
New			
Reservations *(in millions of euros)*	301.5	220.6	36.7%
Number of apartments	1,068	946	12.9%
Average price *(in euros)*	282,303	233,192	21.1%
Resales			
Reservations *(in millions of euros)*	31.8	53.8	-40.9%
Number of apartments	204	312	-34.6%
Average price *(in euros)*	155,882	172,436	-9.6%
Senioriales			
Reservations *(in millions of euros)*	62.0	34.4	80.3%
Number of apartments	254	145	75.2%
Average price *(in euros)*	244,094	237,106	2.9%
Total			
RESERVATIONS *(in millions of euros)*	**395.3**	**308.8**	**28.0%**
NO. OF APARTMENTS	**1,526**	**1,403**	**8.8%**
AVERAGE PRICE *(in euros)*	**259,043**	**220,086**	**17.7%**

Note that the rise in reservation turnover on new programmes and renovations was driven by an 8.8% increase in volumes and a 17.7% increase in average prices, given the high number of programmes in Paris and the quality of the programmes marketed.

The group's resale business is a means of operating a market of second home owners for apartments operated by the Pierre & Vacances - Center Parcs 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 enables the group to maintain control of around 85% of its leases and generate commissions of around 5% on the sales prices.

Stock of apartments marketed as of 30 September 2009

Programme by destination	*New/ Renovation*	*Delivery date*	*No. of units*	*% reserved*
Channel				
Belle Dune Ile aux Oiseaux 2	N	July 2010	51	27%
Branville Normandy Garden	N	July 2011	54	4%
Atlantic				
Le Pouliguen	R	July 2008	68	93%
Riviera				
Cap d'Agde Rochelongue	R	June 2009	17	94%
Fréjus Cap Hermès	R	June 2010	4	50%
SEASIDE			**194**	**50%**
Avoriaz Amara	N	December 2011	123	63%
Avoriaz Crozats	N	December 2011	271	42%
Val Thorens Machu	R	December 2008	40	100%
MOUNTAIN			**434**	**53%**
Le Rouret Hibiscus	N	July 2009	50	100%
Pont Royal extension	N	June 2011	115	43%
COUNTRYSIDE			**165**	**60%**
Hauts de Bruyères	N	December 2008	52	96%
Moselle-Lorraine	N	December 2009	870	98%
Moselle-Lorraine extension	N	December 2011	105	36%
CENTER PARCS			**1,027**	**91%**
Nantes Russeil	N	December 2011	95	67%
Paris Bastille	R	December 2009	138	64%
Paris La Défense	R	December 2009	99	96%
CITIES			**332**	**74%**
Sainte Anne Rivière à la barque	R	December 2008	132	30%
Sainte Luce Bougainville	R	December 2007	162	80%
Sainte Luce Filao	R	December 2009	172	60%
FRENCH WEST INDIES			**466**	**58%**
Cala Rossa tranche 4	N	February 2008	53	85%
Manilva	N	December 2008 and March 2009	328	33%
ITALY AND SPAIN			**381**	**40%**
TOTAL (EXCL. LES SENIORIALES)			**2,999**	**68%**

1

Programme by destination	*New/ Renovation*	*Delivery date*	*No. of units*	*% reserved*
Equemauville	N	July 2011	49	35%
Salles sur Mer	N	October 2009	41	83%
Hinx	N	July 2008	76	97%
Bergerac	N	June 2009	61	98%
CHANNEL, ATLANTIC			227	81%
Gonfaron	N	May 2011	49	86%
Saint Gilles	N	September 2008	85	98%
Grasse	N	September 2009	59	86%
Paradou	N	December 2010	45	62%
Ruoms	N	December 2009	65	63%
Saint Privat des Vieux	N	June 2009	53	89%
Jonquières Saint Vincent	N	June 2010	75	57%
SOUTH EAST			431	78%
Prades	N	June 2007	63	98%
Villeréal	N	December 2007	53	96%
Villegly	N	July 2008	63	95%
Soulac	N	July 2011	57	39%
Lombez	N	May 2010	53	66%
SOUTH WEST			289	80%
TOTAL SENIORIALES			**947**	**79%**
TOTAL GROUP			**3,946**	**71%**

Presentation of consolidated financial statements

Current operating income

Current operating income totalled €64.2 million compared with €103.5 million in the year-earlier period.

(in millions of euros)	**2008/2009**	*2007/2008*
EBITDA[(1)]	114.4	138.7
Depreciation, amortisation and provisions net of write-backs	-50.2	-35.2
CURRENT OPERATING INCOME	**64.2**	**103.5**
Operating margin	*4.4%*	*7.3%*

(1) EBITDA = earnings before interest, tax, depreciation, amortisation and provisions net of write-backs.

Tourism division current operating income

The tourism businesses contributed €41.9 million in current operating income.

	Pierre & Vacances Tourisme Europe		*Center Parcs Europe*		*Tourism*	
(in millions of euros)	**2008/2009**	*2007/2008*	**2008/2009**	*2007/2008*	**2008/2009**	*2007/2008*
Turnover	536.8	540.4	611.2	628.1	1,148.0	1,168.5
Current operating income	**2.0**	**15.8**	**39.9**	**60.9**	**41.9**	**76.7**
Operating margin	0.4%	2.9%	6.5%	9.7%	3.6%	6.6%

Pierre & Vacances Tourisme Europe operates a primarily seasonal business (except city locations) with residences located in mountain or seaside resorts not open all year round. In addition, the level of services is particularly limited in residences (located generally in tourist sites which themselves offer numerous services).

Pierre & Vacances Tourisme Europe generated current operating income of €2 million, despite the impact of strike action in the French West Indies which caused a €5 million loss, and rental indexation higher than inflation prompting additional costs of €6 million. Savings of €5 million were in line with targets and offset the increase in marketing spend, which helped maintain turnover at the high level seen in 2007/2008 despite a particularly difficult backdrop.

Business at **Center Parcs Europe** is characterised by the fact that villages are open all year round given that activities are in-doors (aqua park centre). Occupancy rates are high over a very long period of operation. In addition, numerous activities and services offered at the villages and these are payable, thereby enabling the generation of high turnover from services activities and additional margins.

Current operating income at Center Parcs Europe totalled €39.9 million vs. €60.9 million in 2007/2008 given that in addition to lower accommodation and services turnover and normal inflation in costs, the group shouldered additional costs of €6 million caused by the energy hedging policy and booked in H1. The €5 million in savings generated were in line with targets and helped offset higher marketing costs.

Property Development current operating income

The property development business contributed €22.3 million in current operating income compared with €26.8 million in the year-earlier period.

	Property development	
(in millions of euros)	**2008/2009**	*2007/2008*
Turnover	303.3	256.0
Current operating income	**22.3**	**26.8**
Operating margin	7.4%	10.5%

Current operating income in the division included the cost of marketing and sales actions in order to underpin the property development business in the light of increased competition prompted by the Scellier tax incentive law in Q1 before the measures were extended to the tourism segment in April 2009. As such, in H2 the group restored a high margin of 10.5%, thereby generating operating margin of 7.4% over the full year.

Attributable net income

(in millions of euros)	2008/2009	2007/2008
Turnover	1,451.3	1,424.5
Current operating income	**64.2**	**103.5**
Financial expenses	-13.0	-10.8
Taxes(1)	-18.3	-29.1
Attributable current net income(1)	**32.9**	**63.6**
Other operating income/expense net of tax(2)	9.4	9.8
ATTRIBUTABLE NET INCOME	**42.3**	**73.4**

(1) Attributable current net income corresponds to current operating income, financial items and taxes excluding exceptional items which are reclassified under other operating income/expense.
(2) Other operating income/expense net of tax includes factors contributing to earnings which due to their non-recurring nature are not considered to be part of current operating income (tax savings, update of group's tax position, restructuring costs, etc.).

Financial expenses totalled €13.0 million vs. €10.8 million in 2007/2008, with the increase prompted by growth in net debt.

2008/2009 corporate tax (excluding exceptional items) totalled €18.3 million, representing an effective tax rate of 35.8%.

Attributable current net income totalled €32.9 million compared with €63.6 million in the year-earlier period.

Other operating income/expense net of tax totalled €9.4 million including non-recurring tax savings and the majority of restructuring costs prompted by the reorganisation of the tourism business.

After taking into account these factors, attributable net income worked out to €42.3 million.

The weighted average number of shares stood at 8,684,622 in 2008/2009 vs. 8,694,516 for 2007/2008. Attributable net profit per share totalled €4.87 vs. €8.45 in the year-earlier period.

A dividend of €1.50 per share is to be proposed to the AGM, representing a total payout of €13.2 million or 40.2% of current net income.

Investments and balance sheet

Main cash flows

Changes in cash flows during 2008/2009 stemmed mainly from €65.9 million in cash flow, investments of €57.3 million for renovation of the tourism portfolio and the overhaul of IT systems, the net repayment of loans for €37.8 million and a dividend payment of €23.4 million.

Summary cash flow statement

(in millions of euros)	2008/2009	2007/2008
Cash flow (after interest expenses and tax)	93.9	129.5
Change in WCR	-28.0	-63.5
Cash flow from operating activities	**65.9**	**66.0**
Investment spending	-84.5	-94.9
Asset disposals and net cash allocated to assets due to be sold off	27.2	49.7
Cash flow from investment activities	**-57.3**	**-45.2**
Acquisitions and disposals of treasury stock	0.1	-4.6
Dividends paid	-23.4	-23.5
Change in borrowings	-37.8	12.3
Cash flow from financing activities	**-61.1**	**-15.8**
Change in cash and cash equivalents	**-52.5**	**5.0**

Cash generated by the group's tourism and property development businesses totalled €65.9 million in 2008/2009 in line with the 2007/2008 figure.

The €35.6 million decline in 2008/2009 cash flow to €93.9 million was primarily due to the decrease in EBITDA.

Financing requirements generated in 2008/2009 by the change in working capital requirements (€28 million) stemmed primarily from the launch of Avoriaz (€16.4 million requirement) and Center Parcs – Roybon en Isère (€12.1 million requirement).

Net cash flows allocated to investments totalled €57.3 million and primarily concerned:

- investments made for operating the tourism businesses of €41.5 million:
  - net investments made by Center Parcs Europe of €14.2 million mainly concerned the improvement in the product mix (€29.3 million), the end to renovation at Sunparks (€7.5 million), net of the disposal of all the renovation works for Sunparks to Foncières des Murs for €22.5 million,
  - investments made by Pierre & Vacances Tourisme Europe of €27.3 million mainly concerned renovation and modernisation works in the portfolio operated (€7.8 million for Cap Esterel) and the renewal of part of the television portfolio for €6 million;
- investments made by the group for adapting and optimising IT systems for €15 million, €10.3 million of which for the reservation systems and the Internet network.

The €37.8 million decline in borrowings (excluding bank overdraft facilities) on 30 September 2009 vs. 30 September 2008 mainly concerned:

- a €21 million decrease in property bridging loans (full repayment of loan for Center Parcs – Bois des Harcholins partly offset by two new loans, in particular for Les Seniorales);
- annual amortisation of €18.5 million of the group's corporate debt contracted for its acquisitions operations.

Change in Balance sheet

Given the asset and liability 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 balance sheet.

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;
- infrastructure facilities for the residences;
- leisure facilities for holiday villages (swimming pools, tennis courts, children's clubs, etc.);
- commercial premises (restaurants, bars, conference rooms, etc.).

Ownership of these assets is a guarantee of the group's long-term management of the sites concerned.

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

Concerning the group's traditional **property development businesses,** the new property construction activity should be distinguished from property renovation activities.

New construction programmes generally mobilise little equity and have the following financial characteristics:

- 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 balance-sheet items (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 balance sheet as deferred income. At the same time, costs incurred in connection with the property are recorded as work in progress, or in the case of selling costs, as accrued income and pre-paid expense. Turnover and margins on property programmes are booked under the percentage completion method and no longer on delivery of the apartments, the method previously used by the group under French accounting standards. The percentage of completion is calculated by multiplying the percentage of progress in construction work by the percentage of property sales signed at a notary. In contrast, stocks of completed properties and land are kept low by the group's marketing method (properties sold off-plan for delivery on completion) as well as its policy to market properties before construction work is started and to not acquire land before final planning permission has been obtained.

However, important Center Parcs villages property programmes (including the construction of equipment made on behalf of institutional buyers) can result in a temporary deterioration in working capital requirements, the group pre-funding part of the work.

1

The property renovation programme generates a temporary deterioration in working capital requirements. In this business, the group acquires existing two/three-sun rated residences in prime locations, generally from institutional investors, with the aim of renovating and upgrading them to a three/four sun rating and selling them on to individual investors under its traditional sales formulas. 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.

The cash flows generated by the group's business in 2008/2009 helped maintain a solid balance sheet. The net debt-to-equity ratio stood at just 19.9% on 30 September 2009.

Simplified balance sheet

(in millions of euros)	**30/09/2009**	*30/09/2008*	*Change*
Goodwill	152.0	152.1	-0.1
Net fixed assets	586.1	573.8	12.3
INVESTMENTS	**738.1**	**725.9**	**12.2**
Shareholders' equity	490.9	470.0	20.9
Provisions for risks and charges	47.0	51.0	-4.0
Net financial debt	97.6	82.4	15.2
Other	102.6	122.5	-19.9
RESOURCES	**738.1**	**725.9**	**12.2**

The main goodwill items broke down as follows:

- Pierre & Vacances Tourisme Europe €69.0 million;
- Center Parcs Europe €63.3 million;
- Les Senioriales €17.8 million.

The €12.3 million increase in the net book value of **fixed assets** stemmed primarily from:

- the €41.5 million in net investments made in the tourism business;
- the €15 million in net investments made in modernising the group's IT systems;
- deduction of €47.1 million in depreciation, amortisation and provisions during the period.

Net fixed assets on 30 September 2009 broke down as follows:

- €151.9 million in intangible assets;
- €397.2 million in tangible fixed assets;
- €37.0 million in non-current financial assets.

The contribution from Center Parcs Europe to net intangible fixed assets totalled €97.4 million, including €85.9 million for the Center Parcs brand and €5.5 million for the Sunparks brand. The subdivision's share in the group's net tangible fixed assets totalled €288.4 million, including €145.9 million for Domaine du Lacd'Ailette).

Shareholders' equity totalled €490.9 million on 30 September 2009, compared with €470.0 million on 30 September 2009 after taking account of:

- net income over the period of €42.3 million;
- a dividend payout of €23.4 million;
- a net increase in equity before earnings of €2.0 million, due to IFRS accounting of stock options, treasury stock and financial hedging instruments.

Provisions for risks and charges totalled €47.0 million on 30 September 2009 vs. €51.0 million on 20 September 2008.

The €4.0 million decline over the year stemmed primarily from write-backs of renovation and restructuring provisions.

On 30 September 2009, provisions for risks and charges broke down as follows:

- provisions for renovation €22.1 million;
- provisions for pensions €12.0 million;
- provisions for restructuring and various risks €12.9 million.

Net debt reported by the group on 30 September 2009 broke down as follows:

(in millions of euros)	30/09/2009	30/09/2008	Change
Gross borrowings	209.7	247.0	-37.3
Cash and cash equivalents	-112.1	-164.6	52.5
Net debt	**97.6**	**82.4**	**15.2**

The increase in gross debt is analysed in the Main Cash Flows segment above.

Net debt reported by the group on 30 September 2009 (€97.6 million) corresponded mainly to:

- the remaining capital due (€46.3 million) for corporate debt relative to the loans taken out during acquisitions operations. The portfolio of refinancing loans on 30 September 2009 broke down as follows:
  - €35.7 million for the acquisition of the remaining 50% stake in sub-division Center Parcs Europe,
  - €10.6 million for the acquisition of Gran Dorado, the first 50% stake in Center Parcs Europe and Maeva.

  Maturity for the debt is set for 26 March 2012. The provisional amortisation plan for this five-year loan is linear and corresponds to an annual repayment of the principle of €18.5 million.

  Covenants on corporate debt were renegotiated with banks in order to provide the group greater financial leeway.

  Since 8 April 2009, two ratios are monitored:
  - Ratio 1: Net debt/EBITDA. This ratio must be below 1.75,
  - Ratio 2: Adjusted net debt/EBITDAR. This is the same ratio as that followed previously except that the definition of adjusted net debt is more in line with the method used by S&P (still including rental commitments but updated to 6%). This ratio must remain below 5.5;

  In contrast, margins have been raised from 0.7% previously to 1.75%.
- financial debt of €116.0 million booked for the sale and lease-back of central facilities at the new Center Parcs village Domaine du Lac d'Ailette;
- the loans contracted by the group to finance property assets destined to be sold off (€30.3 million, including €9.6 million for Pierre & Vacances programmes and €20.7 million for Les Senioriales);
- net of available cash.

1

Information on social and environmental issues

In early 2008, the group bolstered its commitment to sustainable development by launching its Sustainable Actions Plan. The three-year plan includes the group's commitments and targets for three main areas, namely the fight against climate change, preserving natural resources and bolstering the socially-responsible policy.

The Pierre & Vacances - Center Parcs Group has therefore restated its aim to make sustainable development a fundamental value in its corporate strategy in order to become a benchmark player in the tourism and property sectors. This Sustainable Actions Plan as well as its first achievements are set out in the group's business report.

Developing a socially-responsible policy

The Pierre & Vacances - Center Parcs Group aims to develop a socially-responsible policy. Diversity, skill development, international openings, social dialogue: the social policy is at the heart of the group's major challenges and combines expectations and balance. These issues are discussed in the group business report.

The group's social review is undertaken for the three divisions Pierre & Vacances Europe, Pierre & Vacances Services (holding company and property) and Center Parcs Europe. The social review as of 31/12/2008 is available on request from the Human Resources division of the Pierre & Vacances - Center Parcs Group. The social review as of 31 December 2009 will be available in June 2010.

Breakdown of staff by company

	Pierre & Vacances Tourisme Europe	*Center Parcs Europe*	*Développement immobilier*	*PVS(*)*	*Total*
Executives	332	357	78	180	947
Non-executives	2,970	5,089	184	206	8,449
TOTAL	**3,302**	**5,446**	**262**	**386**	**9,396**

(*) Pierre & Vacances Services.

An ambitious environmental policy

The Pierre & Vacances - Center Parcs Group has made strong commitments to integrate sustainable construction practices in its property development programmes. These commitments concern energy performance as well as the choice of building materials, water management, the "green building site" policy and the protection of nature. The group is aiming to reduce the environmental impact of its sites and also to promote sustainable lifestyles. Its businesses address a wide public and in particular, families. The group has therefore pledged to bolster its actions to make customers more aware of environmental protection and sustainable development in a fun and convivial manner. These issues are discussed in more detail in the group business report.

Risk management

The Pierre & Vacances - Center Parcs Goup 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 exchange rate risk) are described in Note 24 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 economy which, during a downturn, may have an impact on the group's results.

In the recent context of the financial crisis and despite the resulting uncertainty over economic prospects, it seems that the economic model adopted by the group and the nature of its products provide a means of resistance to the anticipated economic fallout 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 its own unique competitive advantages: firstly, it is based on a concept of short-distance tourism aimed at a European clientele which reduces the expenses and unknown quantities inherent in transport energy costs, and secondly, the diversity of its products, broken down into eight brands and divided between prime destinations in seaside, mountain, urban and country locations mainly in the form of villages and holiday apartments, meets a wide range of requirements of 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 development market. The marketing of apartments managed by the Pierre & Vacances - Center Parcs Group ensures guaranteed profitability and tax benefits to investors and constitutes a reassuring alternative to investment in conventional security or property portfolios.

Specific risks relating to the group's activities

Risks relating to the seasonality of the business

Tourism

The Pierre & Vacances - Center Parcs Group tourism business, which traditionally operated in France only and in residences mainly by the sea and in the mountains, used to have a marked seasonal character, although this seasonality is diminishing with the development of products open all year round, such as Center Parcs and Sunparks.

Pierre & Vacances Tourisme Europe

The Pierre & Vacances Tourisme Europe business is based on 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 year. Turnover achieved by this division (residences, villages and hotels operated under the Pierre & Vacances, Maeva, Résidences MGM, Adagio city aparthotel and Hôtels Latitudes brands) during the first half of 2008/2009 (which corresponds mainly to the mountain resorts) accounted for only 39% of annual turnover, whereas the fixed operating expenses (including rents) are spread evenly over the whole year.

The following strategic initiatives, put in place within Pierre & Vacances Tourisme Europe, should help to reduce the seasonality of this division's business:

- the strengthening of sales abroad, both in European markets bordering France and in territories further towards Eastern Europe, thanks to an Internet platform, and the strengthening of the sales offices abroad, even if this effect was limited over the course of the year by the reduction in the number of foreign visitors;
- promoting drives to increase sales of stays outside the school holidays, such as incentives to increase occupancy rates at the beginning and end of the season through a range of offers of short stays for individuals and business seminars;

- developing the range of urban residences (mainly Adagio city aparthotel) which are open throughout the year and have high occupancy rates, with two additional customer targets, long-stay business and short-stay tourism.

Furthermore, the group maintains prices suited to the different periods with significant differences between high and low season.

Center Parcs Europe

The Center Parcs and Sunparks village business is less seasonal. Each village has undercover facilities, so that all the villages can remain open throughout the year. By appropriate management of pricing and targeted promotional campaigns, all the villages register low swings in occupancy rates throughout the year, so Center Parcs Europe can balance its turnover better between the first (44%) and second (56%) halves of 2008/2009.

All this should help to reduce tourism turnover sensitivity to seasonal changes. Overall the split of turnover between the first half and the second half of 2008/2009 is 42% and 58% respectively.

Property development

The group books turnover and margins according to the work completion method, a method that consists in defining the percentage completion as the percentage completion of the works multiplied by the percentage of sales signed with the notary.

Nevertheless, a degree of seasonality remains, particularly as far as the following P&V programmes are concerned:

- the first quarter (1 October – 31 December) benefits both from the signings achieved before 31 December for tax reasons and strong growth in the rate of work completion for the delivery of the mountain programmes (mid-December);
- the second quarter (1 January – 31 March) usually shows the lowest level of business for the year;
- the third quarter (1 April – 30 June) benefits from a strong growth in the rate of completion of work for delivery of the seaside and country programmes (mid-June);
- the fourth quarter (1 July – 30 September) is a period of major signings before the year-end.

Over the course of the year, however, seasonality declined owing to the progress of work and the regular signings under the Center Parcs programme in Moselle-Lorraine. For example:

- the first quarter represents 26.3% of the turnover in 2008/2009;
- the second quarter represents 17.4% of the turnover in 2008/2009;
- the third quarter represents 19.6% of the turnover in 2008/2009;
- the fourth quarter represents 36.7% of the turnover in 2008/2009.

Risk relating to interest rate fluctuations in the property development business

The activity of the property development division 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.

It is worth noting that, for the year in question, extending the Scellier arrangement, in April 2009, to include holiday residences meant that programmes being marketed could be sold more quickly. This arrangement, which is currently being adapted, should have an impact in 2010, 2011 and 2012.

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 formulas (commercial furnished property leasing (LMP), non-commercial furnished property leasing (LMNP), rural renewal zone (ZRR) and Scellier) which help to optimise the profit earned by the buyers of residences;
- increasing the diversification of its investors, both in geographical terms (English, Irish and Spanish) and in terms of investment profile with marketing in partnership with the UFG Group of some of the Cottages in the future Center Parcs in Moselle to a property investment company (SCPI);
- a more flexible cost structure by making use of outside companies for construction and architects plans, and tightening cost control on the 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 stocks of properties are detailed in Note 13 of the notes to the consolidated financial statements.

The Pierre & Vacances - Center Parcs Group carries out its development projects according to strict prudential rules. For any land purchased, final and unappealable administrative authorisations are obtained so that the only fees incurred are those to obtain planning permission. Acquisitions of land are subject to pre-selling conditions above 50%.

As a result, the real estate policy, the marketing method (selling off-plan) and the requirements of pre-selling (at least 50%) that the group imposes on itself before starting construction ensures 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.

At 30 September 2009, only 262 completed apartments had not had their sales finalised (including 221 apartments in the Manilva programme in Spain, which has been particularly affected by the property crisis).

The table of "Main stocks being marketed at 30 September 2009" that appears in the business report gives the percentage sold. The properties are on average almost 71% sold.

Thanks to extensive pre-selling, units that have not been sold when the programme is delivered are few and far between. To sell these ones, the group may decide, on an ad hoc basis, to offer certain benefits to the last few buyers (payment of lawyers' 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 counterparty 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 turnover is achieved by direct sales (82% for 2008/2009), a marketing method in which payment for the service is made in advance of consumption.

In relation to indirect sales, to reduce the risk that default by a debtor or an unfavourable event in a given country could affect 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 advisors and check the solvency of the counterparties.

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 value of the rent payable by the group over the remainder of the lease is shown in the off-balance sheet commitments (see Note 36 in the notes to the consolidated financial statements – Off-balance sheet commitments).

Income generated by using the leased apartments and houses for tourism purposes offsets these rents payable to the owners which constitute, with personnel expenses, the main source of fixed expenses associated with the tourism activity. Given the potential impact of an economic recession on the volume of tourism turnover, there may be a risk that the level of rental commitments added to the other fixed expenses will prevent, in certain periods, a positive operating income being achieved. This risk, looking at the group's historical data within the framework of its tourism activities, has never materialised and, while it is now greater, it seems that the economic model adopted by the Pierre & Vacances - Center Parcs Group and the nature of its products provide a means of resistance which will continue to provide structurally sufficient volumes of turnover to cover the rental commitments taken on by the group and, more generally, the fixed and variable expenses associated with the tourism activity.

Depending on the country concerned, the indexing applicable to the rent is set according to freely negotiated contracts 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 thereof on expiry if this is a contractual condition. 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 indexing) then incorporated into new leases as in countries where renegotiations are governed by the principle of contractual freedom.

In this context, rents for **Pierre & Vacances Tourisme Europe** are mainly indexed to the French construction cost index (ICC). During 2008/2009, the increase in indexed rents averaged around 6%.

From 2000 to 2009, there has, over the period, been a faster change in the ICC (+38.8%) than in the consumer prices index (+17.0%). In this context, the group has, for several years now, been developing alternative forms of indexation on new rental agreements, such as using the rental reference index (IRL) since January 2006. This new index reflected the weighted change in consumer prices (60% weighting), cost of housing maintenance and improvements paid for by lessors (20%) and construction cost (20%). The composition of this index has changed with the law to put greater emphasis on purchasing power, and it now reflects the average over the last 12 months, the change in consumer prices excluding tobacco and excluding rent. Furthermore, the group plans an annual indexation of not more than 2 to 3% in new contracts.

Furthermore, during the renegotiation of the leases when they are renewed, the ICC indexation is maintained but limited to a maximum of 2 to 3%.

Center Parcs Europe's rents are indexed to the consumer prices index of the host country (excluding France), and the most significant leases increase by a minimum of 1.75% per year and a maximum of 3.75% per year. In France, the cottages sold to private buyers (Domaine du Lac d'Ailette village, Bois Francs extensions, Bois des Harcholins in Moselle-Lorraine) are indexed either on the construction cost index or on the rental reference index.

Legal risks

The group's legal department is a centralised function that checks the way the group's legal and particularly contractual commitments are formed and monitors the disputes of all the operating subsidiaries, except for Center Parcs Europe which has its own legal department in Rotterdam. A link has been set up between the two Legal Departments to coordinate risk management and insurance coverage.

General risks

Property development

Risk relating to failure to obtain local government permits

Because of the strict rules described in the business report's "property development" section, exposure to real estate risk is low. In particular, the legal risk associated with failure to obtain local government permits for new programmes is virtually non-existent because the Pierre & Vacances - Center Parcs Group only engages in property deals if the local government permits have been obtained. With respect to refurbishment programmes, the group obtains existing operations already up and running, and these generate revenue to offset the cost of financing the acquisition. Nevertheless, the time taken to obtain these permits may slow completion and increase the costs of certain property programmes.

Risk relating to construction defects

The construction-sale companies that develop property projects take out all the insurance to cover the construction risk (promoter 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 normal for the industry.

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 presold so that, when the programme is delivered and begins operating, the group no longer has full ownership of significant volumes 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-owner individuals or legal entities in the context of co-ownership management, conditional upon the terms of the leases agreed with the group, and these agreements may stipulate for example that certain types of co-ownership expenses are picked up by the Pierre & Vacances - Center Parcs Group.

Tourism operation and management

Risks relating to tourism operation

The Pierre & Vacances - Center Parcs Group's policy is to comply strictly with 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));
- 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 safety rules applicable to holiday residences and facilities available to customers (swimming pools, slides, etc.);
- the rules relating to specifically regulated activities or activities for which access is conditional on specific conditions of capability or guarantees (co-ownership syndicate activity for the subsidiaries Sogire and SGRT, travel agency activity by the Pierre & Vacances Maeva Distribution subsidiary, etc.).

The group has given itself the resources to comply with all these requirements so it does not run any significant legal risks with respect to the companies concerned and against which it is not covered by appropriate insurance policies or safety procedures.

The risks associated with tourism operation therefore relate mainly to the Pierre & Vacances - Center Parcs Group's public liability, damage (personal injury, material and immaterial damage), and business interruption with respect to which a policy of prevention and cover through appropriate insurance policies is followed.

Labour risks

Finally, the Pierre & Vacances - Center Parcs Group – because of its service business – uses many workers both at head office and in its secondary establishments or at its tourist sites. The Human Resource Departments (for the group including the holding, property development and tourism France division and for Center Parcs Europe) work very carefully, under the direction of a member of the Executive Committee, to comply with the applicable legal requirements both from the individual and collective point of view. The number of industrial relations disputes is extremely low (see particular 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 group's image and can negatively impact its results.

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 special crisis management organisation consists of a specially dedicated, multi-disciplinary team headed by the Safety Department.

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 damage to property and of personal injury caused by incidents such as fire, explosions, spillage of maintenance products, etc.

The group has introduced a prevention plan intended to limit such risks as far as is possible and is organised according to crisis team procedures to deal with risks of attack on the image of its various brands.

In the tourism business, the great variety 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 that are outside the group's control, be they natural or industrial incidents (such as industrial accidents or oil spills).

For the property development business, the completion times and/or costs of construction works may be affected by climatic and geological conditions. The Pierre & Vacances - Center Parcs Group prevents these risks as much as possible using preliminary ground surveys before the building land is bought and passes on to third parties its commitments relating to the possible legitimate causes of work being suspended.

The group tries to reduce the environmental impact of its activities through many initiatives and actions deployed in its various divisions. Examples of these actions are given in the group's business report 2008/2009, in the "Sustainable development" section.

Description of existing disputes

As at 30 September 2009, and for the last twelve 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 overall, has impinged upon the financial situation or profitability of the group.

Each dispute is monitored and analysed by the group's legal department which, occasionally with the help of outside experts, assesses the potential cost on a case-by-case basis. A provision for the estimated cost of the risk is booked in the financial statements of the various entities involved.

Total provisions for disputes at 30 September 2009 is detailed in Note 20 – Provisions for contingencies and charges, in the notes to the consolidated financial statements.

Property development

The overall risk to the Pierre & Vacances - Center Parcs Group is not significant.

- On behalf of the various wholly owned subsidiary programme companies, the group handles a few disputes relating to builders' liability. Claims have been made against the insurance policies taken out by the programme companies.
- The group also handles a few 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 affair whenever possible.

Operation and management of tourism activities

- Customer disputes: Out of almost a million weeks sold per year, the group on average deals with less than ten legal disputes before the courts (*"Tribunal d'Instance"* or *"Tribunal de Grande Instance"* depending on the scale of the dispute). All other customer disputes are usually settled amicably.
- Disputes with tourism industry professionals: the Pierre & Vacances - Center Parcs Group is in the process of recovering money from tourism professionals, usually small ones, which have cash flow difficulties.
- Disputes with service providers: the group uses a number of service providers to supply particular services (catering, group leadership, maintenance, information technology, etc.), so some of them may default and/or cause their payment to be disputed.
- Regulated activities: as a property manager, the group may be involved either as a plaintiff or defendant, in property management disputes in which the property manager 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.

Labour disputes

- The group is not currently involved in any significant collective labour dispute.
- The group is involved in 52 individual cases that have been brought before industrial tribunals.

To the company's knowledge, there are no exceptional facts or disputes that are likely to have, or have had in the recent past, a significant impact on the business, the income, the financial situation or the assets of the Pierre & Vacances - Center Parcs Group.

Risk insurance and cover

The policy on insurance is monitored at group level, including for Center Parcs Europe, by Risk Management that is attached to the group's Deputy Chief Executive in charge of the General Secretariat.

The overall budget for this insurance stood at €7 million for the year 2008/2009; it remains on a par in terms of premium volumes and coverage levels, with the previous year.

Most of this budget goes on all risks insurance covering operation of the tourist sites against damage and business interruption for all brands.

The Pierre & Vacances - Center Parcs Group has property damage and business interruption coverage with a contractual compensation limit of €83 million per claim (of which €60 million for property and €23 million for business interruption) for the Pierre & Vacances Tourisme France division, and €150 million per claim for the Center Parcs division.

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 claim 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 business interruption reflects the time required for total reconstruction of a major resort.

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 and are not covered by policies taken out, specifically:

- uninsurable risks: the group is obviously not covered for risks that are the subject of standard regulatory or structural exclusions from any insurance policy: risks without hazards, operating losses resulting from strike action, from damage to the sea wall in the Netherlands or from a pandemic, and the consequences of intentional defects or of the claiming of liability inherent in any failure to meet contractual duties, etc.
- special risks which are not included under any specific cover, such as risks of operating loss 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 three French Center Parcs sites) and, secondly, by the renewal of specific insurance cover for 2008/2009 relating to seven of the largest Center Parcs Europe villages and the four Sunparks villages located in Belgium. 14 Center Parcs villages are therefore covered for terrorism (out of a total of 21).

Since 30 June 2008, the firm AON has been commissioned by the Pierre & Vacances - Center Parcs Group to provide the main services and advice associated the insurance brokerage operations.

Following a call for tenders for insurance against risks of damage to property and operating loss initiated in May 2009, the insurance company Royal Sun Alliance was chosen to replace AXA, as of 1 October 2009, as lead insurer of a newly formed pool of insurers consisting only of leading insurance companies.

AXA was reappointed, after going to tender, as main Insurer in the blanket cover programme inherent in Public Liability.

The group has no "captive" insurance or reinsurance company now, studies carried out so far into the chances of creating this type of structure resulting in the deferral of this move until market conditions are suitable.

Major contracts

During the last three financial years up to the date of this reference 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-balance sheet commitments are given in Note 36 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, because the departure of managers or employees on which essential functions of the enterprise depend or who have strategic and operational skills of entire 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. Besides the appointment of a new Chief Executive Officer of the group, the collegial character of the other decision-making bodies, the frequency of their meetings and the high level of authority delegated to them make it possible to ensure that, with the intervention of the internal control departments, the group is run and managed in a way that maintains the founding and prudential principles already in force, despite the temporary or permanent unavailability of members of the Executive Committee.

Recent development and future prospects

The market and competition

Tourism businesses

Via its eight brands, Pierre & Vacances, Maeva, Résidences MGM, Hôtels Latitudes, Adagio City Aparthotel, Citéa, Sunparks and Center Parcs, the Pierre & Vacances - Center Parcs Group offers an extensive range of mountain, seaside, countryside and city destinations in Europe. This portfolio of complementary and differentiated brands enables the group to offer a comprehensive and unique range of holiday locations with à-la-carte services. Each year, the group welcomes seven million customers.

In the current economic context, the group's ability to meet the needs of all is a key factor for choice, particularly in terms of:

- holiday rentals (ready-to-live-in apartments and homes);
- flexibility (length of stay, days of arrival/departure);
- events and services (activities for all, catering);
- proximity;
- price (competitive price and price/person positions).

The European tourism sector has a **seasonal nature**, which causes significant changes in turnover depending on the period (school holidays) and destination (more business in mountain destinations in winter and seaside in summer). The Pierre & Vacances - Center Parcs tourism business was traditionally focused on France and mainly seaside and mountain residences and had a considerable seasonal nature, which has now been offset by the development of products that are open all year round such as the Center Parcs and Sunparks resorts and the Adagio and Citéa city residences.

Despite the current economic backdrop, the French tourism business resisted fairly well throughout the year. Weather conditions were far better than in 2008 and this could partly explain the healthy figures, notably during the winter season, which enjoyed excellent snowfall, prompting an increase in frequency rates by **French customers**. Frequency rates by **foreign customers** were generally lower this year and primarily concerned UK holidaymakers which are considered as the main foreign customer, as well as North-American, Scandinavian and Asian clients.

Demand by holidaymakers has changed according to the following factors:

- Demographic factors in Europe (rise in number of elderly people, extension of "youth" segment);
- Macroeconomic factors (boom in fuel costs, lower purchasing power, globalisation of tourism, rising momentum of Internet);
- Environmental factors (natural disasters, collective awareness of environmental values).

These changes have generated increased demand for local tourism, short stays, accommodation sites and types, enabling holidaymakers to meet up in all freedom and among all generations.

Among the distribution channels, **the Internet** is continuing to gain momentum. A survey by Benchmark Group in 2009 showed that sales from e-tourism rose by 23% in 2008 while 75% of online purchasers had already reserved a holiday over the Internet, representing 17 million consumers. Around 18% of household spending on tourism is now made via the Internet vs. 16% in 2007. In 2008/2009, Pierre & Vacances-Center Parcs generated 34% of sales directly via the Internet.

With 294 sites, 48,800 apartments and 228,000 beds operated in Europe, the Pierre & Vacances - Center Parcs Group is the European leader in local tourism.

In France, the group boasts the leading position in the market (based on number of beds estimated by the SNRT). Its main rivals are Odalys (65,000 beds), Lagrange (55,000), Belambra VVF (37,000), Eurogroup (25,000) and France Location (14,000).

In Northern Europe, the main rivals to Center Parcs Europe are Landal Greenparks (64 villages, or 11,000 cottages in the Netherlands, Belgium, Germany, Czech Republic, Austria and Switzerland) and Roompot (49 villages, or 2,300 cottages in the Netherlands, Germany, Denmark and Poland).

A survey by Deloitte in 2007 counted around 387 city hotel residences or around 29,000 apartments. The main operators are Citadines (3,500 apartments), Adagio (3,100), Citéa (5,000) and Appart City Cap Affaires (2,000).

Property development

The property development business is primarily focused on the group's tourism business since its aim is to build the residences and villages destined for operation by the tourism business. The apartments and cottages built are sold to investors using tax advantages and who lease them back to the group's tourism business.

Since April 2009, the French property market, and hence the group's property division, has benefited from the Scellier tax incentive law enabling investors to obtain a tax reduction of 25% of the acquisition price up to a limit of €300,000. This law applies to all property assets acquired since 1 January 2009 and is valid until the end of 2012 (the tax break is digressive as of 2012).

The Pierre & Vacances - Center Parcs Group also boasts a pure, marginal and niche property development business with Les Seniorales homes. In 2008/2009, turnover from this segment totalled €35 million, or 12% of total property development turnover of

€303.3 million. Les Seniorales has developed the innovative concept of residences meeting the requirements of active and independent elderly people. The residences are not medicalised, combine both security and conviviality and include around 60/70 homes. They are sold to home buyers and are located close to average sized towns. Although potential customers are constantly increasing in this segment (24 million French people are set to be over 60 years of age in 2050), it remains more exposed to hazards in the property market in general.

In France, 13 million people are now over 60 and this figure is set to reach 24 million by 2050. The Les Seniorales concept corresponds to expectations for this new generation of elderly people who would like to change lifestyle once they have retired.

The main rivals in this market are retirement home property developers such as Domitys, Villages d'or, Villas Vermeil and individual home property developers (Maison France Confort…).

2009/2010 targets and outlook

The Pierre & Vacances - Center Parcs Group's ability to resist the economic and financial crisis that has taken a harsh toll on the tourism sector confirms the relevance and solidity of its strategy based on the local tourism residence concept. Meanwhile the property development business has been boosted since April 2009 by the Scellier/Bouvard tax incentive laws in France. As such, our business model based on synergies between tourism and property development guarantees a sound balance.

One of the group's main aims is **to improve performances in its tourism businesses** via better efficiency in sales tools and by reducing costs, primarily on the back of bolstered synergies between Pierre & Vacances Tourisme Europe and Center Parcs Europe.

The synergies plan implemented in 2008/2009 has already unlocked €10 million in cost savings and is to be continued for the next three years, based on two main focuses:

- revenue synergies: systematic development of European marketing partnerships, accentuating direct marketing and client loyalty, better management of discounts and finally, exchanging know-how specific to each resort;
- cost synergies and streamlining of units: pooling of regional structures, further streamlining of head offices, reorganisation of maintenance and bolstering of synergies in IT and telecoms systems, purchases, maintenance and security.

In 2009/2010, the group is aiming to generate €10 million in additional cost savings.

The group is also set to continue its efforts to develop Internet sales via the two-stage launch of a multi-brand Internet platform. In H1 2010, the brand websites are to be rounded out with more details on the group's tourism destinations and equipped with a more efficient search engine while, in H2 2010, the retail platform is to be gradually rolled out (reservation module, extensive multi-criteria choice). Growth in Internet sales is set to continue and the target for end-2010 is to generate 40% of group accommodation turnover via the Internet vs. 34% in 2008/2009.

In the **property development businesses,** an extensive number of deliveries are slated for 2009/2010, with an estimated 1,530 apartments and homes (vs. 972 in 2008/2009), including 1,290 new programmes (Center Parcs in Moselle-Lorraine, Houlgate, four Seniorales residences) and 240 renovations (Paris La Défense…).

2008/2009 reservation volumes of €395.3 million including VAT vs. €308.8 million in 2007/2008 should secure business levels in years to come and underscore the extent of momentum in the business boosted by the Scellier/Bouvard tax incentive laws.

The group's strategy is also based on the further **development** of its core businesses in France, Spain, Morocco and major European cities, with the aim of extending the tourism network by more than 15,000 apartments/homes in five years.

This development is set to stem from 3 fields:

- property development with potential turnover of €1.5 billion in projects currently being completed or studied;
- partnerships with Accor and Lamy in city residences, Eurodisney for Villages Nature and CDG in Morocco;
- acquisitions in a backdrop of M&A activity in the tourism markets in France and Europe.

ANNUAL CONSOLIDATED FINANCIAL STATEMENTS

Consolidated profit and loss account

(in thousands of euros)	*Note*	**2008/2009**	*2007/2008*	*2006/2007(*)*
Turnover	3/4	1,451,321	1,424,451	1,550,268
Purchases and external services	27	-960,389	-916,919	-1,046,382
Personnel expenses	28	-349,117	-345,809	-329,802
Amortisation and provisions	29	-62,840	-46,426	-40,222
Current items	30	-14,779	-11,808	-28,112
CURRENT OPERATING INCOME	**3**	**64,196**	**103,489**	**105,750**
Other operating expenses and earnings	3/31	-1,216	-5,358	-2,576
OPERATING INCOME	**3**	**62,980**	**98,131**	**103,174**
Financial earnings	32	5,715	5,005	3,895
Financial expenses	32	-18,680	-15,812	-8,080
FINANCIAL INCOME		**-12,965**	**-10,807**	**-4,185**
Corporate income tax	33	-7,751	-13,890	-23,501
Share of income of companies accounted for by the equity method	9	-	-	-
NET INCOME		**42,264**	**73,434**	**75,488**
Including:				
• *Attributable*		42,264	73,434	75,455
• *Minority interests*	19	-	-	33
Net attributable earnings per share *(in euros)*	34	4.87	8.45	8.66
Diluted net attributable earnings per share *(in euros)*	34	4.82	8.39	8.56

(*) Financial statements restated according to the change of method described in Note 1.3 “Change of method: costs of design and manufacture of advertising means”.

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Consolidated balance sheet

Assets

	Note	30/09/2009	30/09/2008	30/09/2007(*)
Goodwill	5	151,985	152,133	148,453
Intangible fixed assets	6	151,927	141,411	136,344
Tangible fixed assets	8	397,216	395,980	355,761
Investments in companies accounted for by the equity method	9	5	-	-
Non-current financial assets	10	36,941	36,370	36,812
Deferred tax assets	33	38,925	49,214	36,230
NON-CURRENT ASSETS	**3**	**776,999**	**775,108**	**713,600**
Inventories and work in progress	12/13	134,868	121,915	112,191
Trade receivables and related accounts	14	238,518	389,328	241,300
Other current assets	15/23	248,230	237,784	218,680
Cash and cash equivalents	16/24	115,393	167,295	162,164
Non-current assets and asset groups held for sale	2	-	-	42,986
CURRENT ASSETS	**3**	**737,009**	**916,322**	**777,321**
TOTAL ASSETS	**3**	**1,514,008**	**1,691,430**	**1,490,921**

Liabilities

(in thousands of euros)	Note	30/09/2009	30/09/2008	30/09/2007(*)
Share capital		88,196	88,109	88,109
Additional paid-in capital		8,564	8,651	8,651
Treasury stock		-9,453	-10,487	-5,932
Items reported directly in shareholders' equity		-313	339	575
Reserves		361,689	309,981	255,341
Consolidated income		42,264	73,434	75,455
ATTRIBUTABLE SHAREHOLDERS' EQUITY	**18**	**490,947**	**470,027**	**422,199**
Minority interests	19	6	3	-33
SHAREHOLDERS' EQUITY		**490,953**	**470,030**	**422,166**
Long-term borrowings	21/24	161,106	204,002	203,189
Non-current provisions	20	26,361	28,283	42,299
Deferred tax liabilities	33	20,528	23,098	-
NON-CURRENT LIABILITIES	**3**	**207,995**	**255,383**	**245,488**
Short-term borrowings	21/24	51,311	46,128	34,102
Current provisions	20	20,645	22,706	13,992
Trade payables and related accounts	25	278,733	272,674	334,202
Other current liabilities	23/26	464,371	624,509	440,971
CURRENT LIABILITIES	**3**	**815,060**	**966,017**	**823,267**
TOTAL LIABILITIES		**1,514,008**	**1,691,430**	**1,490,921**

(*) *Financial statements restated according to the change of method described in Note 1.3 "Change of method: costs of design and manufacture of advertising means".*

Consolidated cash flow statement

(in thousands of euros)	*Note*	2008/2009	*2007/2008*	*2006/2007(*)*
Operations				
Net consolidated income		**42,264**	**73,434**	**75,488**
Depreciation, amortisation and provisions (not related to current assets)		43,670	36,158	30,538
Expenses related to share subscription and purchase option plans		2,727	2,803	2,122
Capital gains and losses on disposals		-1,395	-981	-2,801
Share in income of companies accounted for by the equity method	9	-	-	-
Cost of net long-term debt	32	14,360	11,174	4,648
Taxation (including deferred taxes)	33	7,751	13,890	23,501
Cash flow generated by operations		**109,377**	**136,478**	**133,496**
Net cost of long-term debt: net interest paid		-14,177	-11,482	-4,298
Taxes paid		-1,286	4,527	-3,924
Cash flow after debt interest and taxes		**93,914**	**129,523**	**125,274**
Change in working capital requirement from operations (including debt relating to staff benefits)		-27,995	-63,546	130,323
NET CASH FLOW FROM OPERATING ACTIVITIES (I)		**65,919**	**65,977**	**255,597**
Investments				
Acquisitions of tangible and intangible fixed assets	6/8	-82,008	-89,883	-207,201
Acquisitions of financial assets		-2,191	-1,307	-10,008
Acquisitions of subsidiaries (net of cash acquired)	17	-298	-3,680	-102,144
Subtotal of disbursements		**-84,497**	**-94,870**	**-319,353**
Disposals of tangible and intangible assets		24,045	6,216	36,249
Disposals of financial assets		1,550	1,469	1,071
Disposals of subsidiaries (net of cash paid)	17	1,557	0	86,227
Subtotal of receipts		**27,152**	**7,685**	**123,547**
Net cash flow assigned to assets held for sale		-	41,936	-
NET CASH FLOW FROM INVESTMENT ACTIVITIES (II)		**-57,345**	**-45,249**	**-195,806**
Financing				
Capital increases in cash by the parent company	18	-	-	1,271
Acquisitions and disposals of treasury stock	18	96	-4,555	-646
Dividends paid to parent company shareholders		-23,438	-23,525	-21,765
Dividends paid to minority shareholders in subsidiaries	19	-	-	-68
Receipts from new bank loans		28,028	43,304	198,097
Repayment of bank loans		-65,753	-31,029	-193,319
Other flows from financing operations		-43	28	-1,060
NET CASH FLOW FROM FINANCING ACTIVITIES (III)		**-61,110**	**-15,777**	**-17,490**
CHANGE IN NET CASH FLOW (IV = I + II + III)		**-52,536**	**4,951**	**42,301**
Cash and cash equivalents at beginning of year (V)	16/17	164,645	159,694	117,393
Cash and cash equivalents at end of year (VI = IV + V)	16/17	112,109	164,645	159,694

(*) Financial statements restated according to the change of method described in Note 1.3 " change of method: cost of design and manufacture of advertising means ".

1

Statement of changes in attributable consolidated shareholders' equity

(in thousands of euros)	*Number of shares*	*Share capital*	*Additional paid-in capital*	*Treasury stock*	*Changes reported directly in sharehol-ders' equity*	*Reserves*	*Conso-lidated income*	*Attri-butable share-holders' equity*	*Mino-rity interests*	*Total share-holders' equity*
BALANCE AT 30 SEPTEMBER 2006(*)	**8,781,836**	**87,818**	**7,671**	**-5,286**	**274**	**201,882**	**73,068**	**365,427**	**2**	**365,429**
Hedging instruments	-	-	-	-	388	-	-	388	-	388
Deferred taxes on these items	-	-	-	-	-87	-	-	-87	-	-87
Changes in value recognised directly in shareholders' equity	**0**	**0**	**0**	**0**	**301**	**0**	**0**	**301**	**0**	**301**
Net income	-	-	-	-	-	-	75,455	75,455	33	75,488
Total expenses and earnings booked	**0**	**0**	**0**	**0**	**301**	**0**	**75,455**	**75,756**	**33**	**75,789**
Capital increase	29,075	291	980	-	-	-	-	1,271	-	1,271
Dividends	-	-	-	-	-	-21,765	-	-21,765	-68	-21,833
Change in treasury stock	-	-	-	-646	-	34	-	-612	-	-612
Expenses on option plans	-	-	-	-	-	2,122	-	2,122	-	2,122
Other movements	-	-	-	-	-	73,068	-73,068	0	-	0
BALANCE AT 30 SEPTEMBER 2007(*)	**8,810,911**	**88,109**	**8,651**	**-5,932**	**575**	**255,341**	**75,455**	**422,199**	**-33**	**422,166**
Hedging instruments	-	-	-	-	-317	-	-	-317	-	-317
Deferred taxes on these items	-	-	-	-	81	-	-	81	-	81
Changes in value recognised directly in shareholders' equity	**0**	**0**	**0**	**0**	**-236**	**0**	**0**	**-236**	**0**	**-236**
Net income	-	-	-	-	-	-	73,434	73,434	-	73,434
Total expenses and earnings booked	**0**	**0**	**0**	**0**	**-236**	**0**	**73,434**	**73,198**	**0**	**73,198**
Capital increase	-	-	-	-	-	-	-	0	-	0
Dividends	-	-	-	-	-	-23,525	-	-23,525	-	-23,525
Change in treasury stock	-	-	-	-4,555	-	-97	-	-4,652	-	-4,652
Expenses on option plans	-	-	-	-	-	2,803	-	2,803	-	2,803
Translation differences	-	-	-	-	-	4	-	4	-	4
Other movements	-	-	-	-	-	75,455	-75,455	0	36	36

(*) Financial statements restated according to the change of method described in Note 1.3 "Change of method: costs of design and manufacture of advertising means".

(in thousands of euros)	*Number of shares*	*Share capital*	*Additional paid-in capital*	*Treasury stock*	*Changes reported directly in sharehol-ders' equity*	*Reserves*	*Conso-lidated income*	*Attri-butable share-holders' equity*	*Mino-rity interests*	*Total share-holders' equity*
BALANCE AT 30 SEPTEMBER 2008	**8,810,911**	**88,109**	**8,651**	**-10,487**	**339**	**309,981**	**73,434**	**470,027**	**3**	**470,030**
Hedging instruments	-	-	-	-	-953	-	-	-953	-	-953
Deferred taxes on these items	-	-	-	-	243	-	-	243	-	243
Translation differences	-	-	-	-	58	-	-	58	-	58
Changes in value recognised directly in shareholders' equity	**0**	**0**	**0**	**0**	**-652**	**0**	**0**	**-652**	**0**	**-652**
Net income	-	-	-	-	-	-	42,264	42,264	-	42,264
Total expenses and earnings booked	**0**	**0**	**0**	**0**	**-652**	**0**	**42,264**	**41,612**	**0**	**41,612**
Capital increase	8,665	87	-87	-	-	-	-	0	-	0
Dividends	-	-	-	-	-	-23,438	-	-23,438	-	-23,438
Change in treasury stock	-	-	-	1,034	-	-1,015	-	19	-	19
Expenses on option plans	-	-	-	-	-	2,727	-	2,727	-	2,727
Other movements	-	-	-	-	-	73,434	-73,434	0	3	3
BALANCE AT 30 SEPTEMBER 2009	**8,819,576**	**88,196**	**8,564**	**-9,453**	**-313**	**361,689**	**42,264**	**490,947**	**6**	**490,953**

(*) *Financial statements restated according to the change of method described in Note 1.3 "Change of method: costs of design and manufacture of advertising means".*

Notes to the consolidated financial statements

1

PREAMBLE

Pierre & Vacances is a French *"société anonyme"* with a Board of Directors, listed on Euronext Paris.

The consolidated financial statements reflect the financial reporting situation of Pierre & Vacances and its subsidiaries (hereinafter called "the group") and the interests in associate companies and joint venture companies. They are given in euros rounded to the nearest thousand.

The Board approved the consolidated financial statements to 30 September 2009 on 1 December 2009.

NOTE 1 ACCOUNTING PRINCIPLES

1.1 - General context

In application of European regulation No. 1606/2002 of 19 July 2002, the consolidated financial statements for 2008/2009 have been drawn up in accordance with the IFRS (International Financial Reporting Standards) reference documentation as adopted by the European Union reference documentation as at 30 September 2009 (reference documentation available at http://ec.europa.eu/internal_market/accounting/ias_en.htm).

The IFRS reference documentation includes the IFRS, the IAS (International Accounting Standards) and their IFRIC (International Financial Reporting Interpretations Committee) and SIC (Standing Interpretations Committee) interpretations.

The standards and interpretations applied by the group for 2008/2009 are the same as those adopted for the financial statements for 2007/2008 except for those adopted by the European Union which have to be applied for the year beginning 1 October 2008 and which the group had not chosen to apply in advance (see section 1.2 – Changes in the accounting reference documents).

1.2 - Changes in the accounting reference documents

The new standards and interpretations that have been adopted for drawing up the financial statements and whose application is made mandatory for the year beginning 1 October 2008 have not affected the group's consolidated financial statements for 2008/2009.

Note that for 2007/2008, the group had decided to apply, in advance, amended IAS 38 on advertising expenditure (applicable to years beginning on or after 1 January 2009).

The new amendments applied to 2008/2009 and not anticipated in the financial statements for 2007/2008 are amendments to IAS 39 and IFRS 7 on the classification of financial assets (applicables to years beginning on or after 1 July 2008.

The standards, interpretations and amendments to existing standards that are not applied in advance in the financial statements for the year 2008/2009 are:

- IFRIC 11 concerning own shares and intercompanies transactions (applicable to years beginning on or after 1 January 2009);
- IFRIC 12 relating to service concession agreements (applicable to years beginning on or after 29 March 2009);
- IFRIC 13 concerning customer loyalty programmes (applicable to years beginning on or after 1 January 2009);
- IFRIC 14 concerning the limit on a defined benefit asset, minimum funding (applicable to years beginning on or after 1 January 2009);
- IFRIC 15 on property building contracts (applicable to years beginning on or after 1 January 2009);
- IFRIC 16 on hedges of a net investment in a foreign operation (applicable to years beginning on or after 30 June 2009);
- amendments to IAS 23 "Borrowing costs" (applicables to years beginning on or after 1 January 2009);
- the new IFRS 8 "Operating segments" (applicable to years beginning on or after 1 January 2009);
- the revision to IAS 1 "Presentation of financial statements" (applicable to years beginning on or after 1 January 2009);
- amendments to IFRS 2 "Payment on the basis of shares" (applicables to years beginning on or after 1 January 2009);
- amendments to IAS 32 and IAS 1, concerning financial instruments puttable at fair value and obligations arising on liquidation (applicables to years beginning on or after 1 January 2009);
- amendments to IFRS 1 and IAS 27, concerning the cost of an investment in a subsidiary, jointly controlled entity or associate in individual financial statements (applicables to years beginning on or after 1 January 2009);

- revisions to IFRS 3 "Business combination" and IAS 27 "Consolidated and individual financial statements" (applicables to years beginning on or after 1 July 2009);
- amendment of IAS 39, on eligible hedged items (applicable to years beginning on or after 1 July 2009);
- amendments to IFRS 5 "Non-current assets held for sale and discontinued operations" and IFRS 1 "First-time adoption of IFRS", plans for the partial disposal of shares of a subsidiary resulting in the loss of exclusive control (applicables to years beginning on or after 1 July 2009);
- IFRIC 17 relating to distributions of non-cash assets to owners (applicable to years beginning on or after 31 October 2009);
- IFRIC 18 concerning transfers of assets from customers (applicable to years beginning on or after 31 October 2009).

The group is reviewing all these standards and interpretations in order to measure their potential impact on the results, the financial position and the consolidated cash flows and to assess the impact on the disclosures to be made.

1.3 - Change of method: costs of design and manufacture of advertising means

In its review of standard "IAS 38 – Intangible fixed assets" published in May 2008, the IASB considers that these expenses must be included in the costs for the year as soon as the service has been provided. Under this approach, advertising costs, in particular catalogues, must be included in the costs as soon as the service has been provided by the supplier (as soon as the catalogue has been printed).

Before, part of the cost of catalogues was included in the accounts in prepayments and part in income proportional to the distribution of the brochures.

The group decided to adopt, from 1 October 2007, the approach used by the IASB.

According to the provisions of IAS 8, this change of method has been applied retrospectively and opening shareholders' equity on 1 October 2006 and comparative data presented have been restated.

The change in shareholders' equity published in the 2005/2006 and 2006/2007 financial statements is as follows:

(in thousands of euros)	30/09/2007	30/09/2006	30/09/2005
Shareholders' equity published on 30 September 2007	**425,321**	**368,840**	**309,259**
Advertising costs	-4,416	-4,976	-4,164
Deferred taxes on advertising costs	1,261	1,565	1,361
Shareholders' equity published on 30 September 2008	**422,166**	**365,429**	**306,456**

The profit and loss account items affected by this change of method are "Purchases and external services" and "Corporate income tax". As far as the balance sheet is concerned, the items affected are "Other current assets", "Trade payables and related accounts" and "Deferred tax assets".

1.4 - Principle of preparing and presenting the financial statements

The consolidated companies' financial statements, drawn up according to the accounting rules in force in their respective countries, are restated so as to comply with the group's accounting principles.

All fully or proportionally consolidated companies are consolidated recurrently on the basis of annual financial statements or situations closed on the year-end date of the consolidating company, namely 30 September.

The group's consolidated financial statements have been drawn up according to the principle of historical cost, except for the following assets and liabilities which, when they are present on the year-end date, are recognised at their fair value: derivatives, investments held for negotiating purposes and financial assets held for sale. The book value of the assets and liabilities that are the subject of fair value hedging is adjusted to take account of the fair value changes attributable to the risks covered.

The profit and loss account is presented by type. Within operating income, the item "Other operating expenses and earnings" identifies elements of a specific type in order to determine the level of "Current operating income".

The balance sheet items are presented according to the current and non-current assets, current and non-current liabilities classification. Assets intended for sale or consumed during the group's normal operating cycle and cash and cash equivalents form the group's current assets. The other assets are non-current. Borrowings that fall due during the group's normal operating cycle or within the twelve months following the year-end are current borrowings. The other borrowings are non-current.

The method of presenting the cash flow table is the indirect method.

1.5 - Use of estimates

Drawing up consolidated financial statements according to 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 earnings of the profit and loss account and on any assets and liabilities mentioned in the notes. In particular this involves determining the recoverable amount of goodwill, intangible assets with an indeterminate life, assumptions on the recoverability of the tax losses and describing leases as finance leases or simple leases. These estimates are made assuming business continuity 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 - Scope and methods of consolidation

The following consolidation methods have been used:

- full consolidation, all the companies over which the group exerts exclusive control directly or indirectly in law or in fact;
- proportional consolidation, companies operated jointly in a joint venture situation;
- equity method, shares of companies over which the group directly or indirectly exerts notable influence without however having control. This influence is presumed when the group holds more than 20% of the voting rights.

The results of companies bought during the period are consolidated from the date on which control (exclusive or joint) or notable 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 - Internal transactions between consolidated companies

Intra-group transactions and balances are eliminated both in the balance sheet and the profit and loss account. Eliminations are made up to the limit of the holding share reflected in the consolidated financial statements. Losses made between consolidated companies that are indicative of impairment are not eliminated.

1.8- Translation methods

Translation of transactions denominated in currency

A company's operating currency is the currency of the main economic environment in which the company operates. Transactions made in a currency other than the operating currency are translated at the exchange rate in force at the time of the transaction. At the close, the corresponding receivables and payables are converted into the operating currency at the exchange rate in force at the year-end. The exchange rate differences that result are recognised in income.

Translation of financial statements drawn up in foreign currencies

The balance sheets of companies whose operating currency is not the euro are converted into euros at the year-end exchange rate and their profit and loss accounts at the average exchange rate for the year.

The resulting translation differences are shown in the shareholders' equity and will be recognised in the profit and loss of the year during which the activities are sold.

1.9 - Business combinations

Business combinations prior to 1 October 2004 have not been restated retrospectively as required by the IFRS reference documentation.

Cost of buying shares

The cost of buying shares equals the fair value of the assets handed over and liabilities incurred and the equity instruments issued by the buyer on the date of purchase, plus the value of all the other costs directly chargeable to the purchase. When the purchase agreement specifies a purchase price adjustment dependent on future events, this adjustment is included in the valuation of the business combination on the date of purchase if the adjustment is probable and can be measured reliably.

Identifiable assets and liabilities and goodwill

When they join the group, the assets and liabilities that can be valued separately are entered in the consolidated balance sheet at their fair value. Assets intended for resale are valued at their market value net of the cost of sale. Goods intended for use in operation are valued at their fair value. The share of assets and liabilities from minority interests is also recognised at its fair value.

The fair value of identifiable intangible components of the assets represented by brands is determined using a multi-criteria approach generally used for the purpose (royalties method, excess cash-flows method and cost approach).

Monies resulting from the valuation of identifiable assets form their new gross value. This serves as a basis for subsequent calculations of gains or losses in the event of sale, and for depreciation and provisions for impairment.

After they have been assigned, all valuation differences follow the accounting rules specific to their nature.

The difference between equity purchase cost and the percentage holding of the buying company in the valuation at their fair value of the assets and liabilities identified on the date of acquisition forms the goodwill. If the difference is positive, it is recorded under "Goodwill" for companies consolidated by the full or proportional consolidation method and in "Shares accounted for by the equity method" for the companies in which the group exercises notable influence. If the difference is negative, it is posted directly to income.

If, in the twelve months following the date of purchase, new information leads to a new assessment of the fair values of the assets and liabilities when they were included in the consolidated balance sheet, they are modified. A change in the gross value of the goodwill automatically results from this.

When a company is purchased in stages, each significant transaction is treated separately to determine the fair value of the identifiable assets and liabilities purchased and the resulting goodwill.

When an additional purchase results in gaining control of a company, the percentage holding previously held by the group is revalued on the basis of the fair values of the identifiable assets and liabilities determined at the time of this additional purchase. The corresponding amount of the revaluation is recognised in shareholders' equity.

Additional purchases occurring after control has been taken no longer give rise to a revaluation of the identifiable assets and liabilities. The positive or negative goodwill generated between the purchasing cost and the additional holding bought in the net assets of the company is reported as goodwill.

Minority interests buy-back commitment

When the group has granted purchase options on their investments to shareholders of its fully consolidated subsidiaries, it anticipates this additional purchase of shares. These commitments are booked as debt at the current value of the buy-back price with the minority interests as an offsetting amount and the goodwill for the balance.

1.10 - Assets and liabilities being sold

Assets and liabilities that it has been decided to sell during the period are presented on a separate line of the balance sheet ("Non-current assets and asset groups held for sale"), as soon as 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 is valued overall as are the liabilities that are attached to it at the lowest of the net book value and the fair value net of the selling costs. Non-current assets classified as held for sale are no longer depreciated.

1.11 - Goodwill valuation tests

According to IFRS 3 "Business combinations", goodwill is not amortised. It is the subject of an impairment test as soon as indications of losses in value appear and at least once a year at the end of the reporting period, namely on 30 September. This test is carried out in order to take account of any changes that may have reduced the profitability and value of these assets. Such events or circumstances include significant unfavourable changes of a sustainable nature, affecting the economic environment or the assumptions and objectives adopted on the date of acquisition.

The assets are combined into cash generating units (CGUs). CGUs are the smallest asset group generating cash flows largely independent of other asset groups. The CGU groups adopted by Pierre & Vacances for assessing the recoverable value of goodwill are the group's business combinations used to analyse its results in its internal reporting.

Through these valuation tests, the group ensures that the recoverable value of goodwill is not less than the net book value. The recoverable value is the market value or the value in use, whichever is the higher. If an asset is to be sold, the recoverable value is determined with reference to the market value.

The market value is the selling price that could be obtained in a transaction carried out in normal market conditions between informed and consenting parties, less the cost of sale 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 net discounted cash flow that would be generated by the CGU or group of CGUs. Cash flow projections come from the business plans developed internally over an explicit period of four years. Beyond that, they are estimated by applying a perpetual growth rate. The assumptions used for changes in turnover and terminal values are reasonable and in line with the market data available. The discount rate used is based on the average cost of capital reflecting current market assessments of the time value of the 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 values that are identical to those obtained using pre-tax rates applied to non-fiscalised cash flows.

A loss of value is recognised in profit and loss if the book value of a goodwill item is greater than its recoverable value. The impairment charge is then recorded in "Other operating expenses and earnings". Any impairments assigned to a goodwill item are irreversible.

1.12 - Intangible fixed assets

Intangible fixed assets acquired separately appear on the balance sheet at their purchase cost less total amortisation and any impairment. Intangible fixed 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 satisfy one of the following conditions:

- they are identifiable, that is they result from legal or contractual rights;
- they can be separated from the entity acquired.

In essence they are the brands.

Intangible fixed assets include:

- brands that the group has qualified as intangible fixed assets with an indefinite life. They are recorded on the balance sheet on the basis of a valuation made on the date of acquisition by independent experts using a multi-criteria approach, which takes into account brand awareness and expected future contribution to earnings. They account for most of the net book value of intangible fixed assets recorded on the group's consolidated balance sheet. So brands are not amortised but their value is subject to a test as soon as indications of impairment appear and at least once a year at the end of the accounting period, namely on 30 September. A provision for impairment is reported if applying the valuation methods leads to a valuation lower than their net book value. The group determines the value in use of each of its brands by updating their valuation using the same method as that used for goodwill valuation tests (see Note 1.11). In the event of impairment, this is recorded under "Other operating expenses and earnings" in the profit and loss account. This provision may be written back subsequently if the value in use returns to a level higher than the net book value;
- the other intangible fixed assets that the group has qualified as fixed assets with a definite life. Essentially, these are concessions and patents that mainly include software licences and expenditure on computer programmes. These assets are amortised using the straight-line method over periods reflecting their useful lives, usually between 3 and 8 years. If there is an indication of impairment, a valuation test is automatically carried out.

1.13 - Investment subsidies

Investment subsidies are shown on the balance sheet as a reduction in the value of the asset for which they were received.

1.14 - Tangible fixed assets

Tangible fixed assets are booked on the balance sheet at their historic acquisition cost or at their purchase cost or else, for assets owned by entities consolidated for the first time, at their fair value on the date the group acquired them less the accumulated amortisation and reported impairments. Interest on capital borrowed to finance the production of fixed assets during the period prior to their being put to use are considered to be an integral part of the purchase cost of the assets.

Lease agreements are qualified as lease financing and are restated in the consolidated financial statements when they have the effect of substantively transferring to the group virtually all the risks and benefits inherent in ownership of these goods. The level of risk transferred is valued by analysing the contract terms.

Tangible fixed assets acquired through lease financing agreements are shown in assets on the balance sheet at the lower of the asset's market value and the discounted value of future lease payments. Amortisation is applied over the period of use of the good, the corresponding debt being entered under liabilities with the related interest, and rent is cancelled in the profit and loss account.

Unlike lease finance contracts, simple operating leases are reported in the profit and loss account as lease payments under "Purchases and external services". Lease commitments, relating to the total future instalments over the residual period of the lease, are indicated in Note 36 "Off-balance sheet commitments".

From the date on which the good is put to use, tangible fixed assets are amortised using the straight-line method according to a component-based approach over their period of use:

Buildings	20 – 54 years
General fixtures and fittings	5 – 16 years
Furniture	8 – 12 years
Other tangible assets	3 – 4 years

Tangible fixed assets are depreciated when their economic value appears lower than their net book value as a result of events or circumstances occurring during the financial year.

Thus, at each year-end, the group assesses whether there is any indication of impairment 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 turnover or in operating income generated by these cash-generating units. In the case of a significant unfavourable change, the group then determines the recoverable value of all the assets in question. It reflects the higher of the market value or the value in use. The value in use is determined on the basis of the discounted future cash flow estimated using the same methodology as described for goodwill.

This analysis is carried out for all accommodation units and, if appropriate, for each accommodation unit (village, residence or hotel). The sets of accommodation units are combined under the brand to which they belong (Center Parcs Europe, Sunparks, Pierre & Vacances, Maeva, Résidences MGM, Hôtels Latitudes), their category and their geographic proximity.

If there is impairment, it is recorded under "Other operating expenses and earnings" in the profit and loss account and this provision may be written back subsequently if the economic value returns to a level higher than the net book value.

1.15 - Non-current financial assets

This category mainly includes available for sale financial assets, receivables associated with short-term investments, loans and guarantees that mature in more than 12 months.

Shares in unconsolidated companies are included in the category "Available for sale financial assets" and therefore appear on the balance sheet at their fair value. Positive and negative changes in value are recorded directly in shareholders' equity. For shares listed on the stock market and for unlisted shares, fair value is an estimate of their realisation value. If the fair value cannot be determined reliably, the shares are entered at their cost. If there is an objective indication of depreciation of these shares (a significant or prolonged fall), a provision for irreversible depreciation is reported for in income.

Other financial assets are booked at cost amortised at the effective interest rate. If there is an objective indication of impairment, a provision for depreciation corresponding to the difference between the net book value and the recoverable value is reported in income. This provision is reversible if the recoverable value changes for the better in the future.

1.16 - Inventories and work in progress

Inventories mainly include the inventories and work in progress of the property development business, assets held for sale and stocks of merchandise intended for resale as part of the group's tourism business.

Inventories and work in progress are valued at the lower of cost of purchase or of production and their probable net realisable value. If the realisable value of the stock (price net of selling expenses) is less than the stock's net book value, a provision for depreciation is recorded accordingly.

The group applies the "percentage progress" method to report the turnover and margins of its property development business. Except for the marketing costs that are reported as prepayments, all direct costs for ongoing property development programmes are inventoried, including the financial expenses (net of financial earnings as appropriate) that can be assigned to the operations. When the work is completed, committed expenditure that is not yet invoiced is provisioned and included in inventories.

1.17 - Trade receivables

Because of the group's businesses, trade receivables are short term, so they are booked at their nominal value.

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 scheme 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 prepaid rent commitments receive interest. Repayments are made each year using the rent payments from the tourism operating companies, with the authorisation of the owners. They are booked under "Other receivables and prepayments".

1.18 - Prepayments

Prepayments are the expenses paid during one financial year that relate to subsequent years.

For assets marketed off-plan, a first half of the marketing fees are invoiced when the customer makes the reservation and the second half when the deed of sale is signed in the notary's office. "Prepayments" include in particular the share of the marketing fees invoiced by the subsidiary Pierre & Vacances Conseil Immobilier relating to property development plans for which the degree of progress has not been recorded at the year-end. This share is determined for each property development programme according to the progress of the work and sales (signings of notarised deeds) relative to the total marketing fees budget for the programme.

1.19 - Cash and cash equivalents

The gross cash balance, as presented under assets on the balance sheet, includes cash and cash equivalents, site deposits and short-term investments (Unit Trusts and Mutual Funds) with a maturity of less than three months, which are classified as short-term investments. These investments are liquid and are not subject to significant risks of change in value.

Cash in the cash flow statement is gross cash less overdrafts.

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

1.20 - Pierre & Vacances treasury stock

Shares in Pierre & 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 shareholders' equity. The result of any sale of treasury stock is charged directly to consolidated reserves at their value net of tax and does not contribute to income for the year.

1.21 - Share-based payment

Options to subscribe for and purchase shares allocated by the group to its employees and managers are reported as a personnel expense representing the expectation of gain for the beneficiaries of these plans. So the reported expense reflects the fair value of the options granted calculated on the date of grant by the Board of Directors according to the "Black & Scholes" method. This expense is spread over the vesting period with a countervailing increase in reserves.

According to the transitional terms of IFRS 2, only plans granted after 7 November 2002 in which rights have not been acquired on 1 January 2005 are valued and booked at their fair value on the date of acquisition and amortised over the rights acquisition period.

The allocation of benefits to personnel through a group savings plan also falls under the scope of IFRS 2 to the extent that a discount is given when the employee buys the shares. So when the subscription price granted to employees includes a discount from the fair value of the share on the date of allocation, an expense is booked immediately or over the rights acquisition period unless acquisition is immediate.

1.22 - Provisions

A provision is reported when, at the year-end, 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 sufficiently reliably, it is a possible liability and is covered in the notes.

So, to take account both of its contractual commitments and its policy of maintaining the whole property stock under lease, the group reports provisions for refurbishment expenses in its financial statements. The reporting of these provisions is intended to take account, as the assets are used, of the refurbishment costs that the group still has to pay. They are calculated on the basis of projected cost for the refurbishment work.

Furthermore, in the case of restructuring, an obligation is constituted as soon as the restructuring has been announced or included in a written, detailed plan, before the year-end.

1.23 - Pension commitments and related benefits

Post-employment benefits

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

Group companies pay salary-based contributions to the appropriate bodies. As such, they carry no actuarial liability for these pension plans. For these defined-contribution plans, payments made by the group are recorded in the profit and loss account as charges for the period to which they relate.

Certain entities within the group have their own pension scheme for their employees. The corresponding actuarial liability is provisioned for in the consolidated financial statements. The same applies in France for group commitments to employees for end-of-service lump sum payments. For these defined benefit plans, costs are estimated using a retrospective method based on end-of-service salaries. Under this method, the cost of commitments is booked directly in the profit and loss account in such a way as to spread it evenly over the period of employment. The amount of the provision includes the present value of estimated future payments taking into account length of service, life expectancy, staff turnover rates and valuation and discounting assumptions. For defined-benefit schemes 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 on the balance sheet minus the value of the scheme assets that cover this obligation.

The actuarial differences result from the change in actuarial assumptions used for valuations from one year to the next, and any variance noted in the obligation or the value of the funds relative to the actuarial assumptions made at the beginning of the year. These actuarial differences are amortised for each plan according to the "corridor" method (differences exceeding 10% of the market value of the fund or of the discounted value of the obligation), over the average number of years' service remaining for the personnel benefiting from the scheme.

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 in the properties 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 pension provisions. Where necessary, the actuarial differences that are revealed in the year are amortised immediately in the year in which they are reported.

Cost of past services

The modification or introduction of a new benefits scheme 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 "cost of past services". This cost of past services is booked in expenses, using the straight-line method over the average period still to run until the corresponding rights are acquired by the personnel. The rights acquired when the scheme is adopted or modified are booked immediately in expenses for the year.

The expense representing the change in net commitments for pensions and other benefits after employment has ended is booked in current operating income or in other financial expenses and earnings according to the underlying nature. Specifically, the incidence of de-actualisation of pension commitments, net of expected returns on the covering assets, is reported in "Other financial earnings and expenses".

The proportion at more than one year of the provisions for retirement commitments and other related benefits is classified as non-current provisions and the proportion at less than one year as current provisions. This current proportion reflects the payments that the group estimates it will have to make in the twelve months following the year-end.

1.24 - Loans and bank borrowings

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

The effective interest rate is the rate used to obtain the book value of a loan at the outset by discounting the future cash payments and receipts over the life of the loan. The book value of the loan at the outset includes the transaction costs and any additional paid-in capital.

If the future interest expense is hedged, the bank borrowings whose cash flows are hedged are still booked at the amortised cost, the change in value of the effective proportion of the hedging instrument being recorded in shareholders' equity.

In the absence of any hedging relationship, or for the ineffective portion of the hedging instrument, the changes in value of the derivatives are recorded in financial income.

1.25 - Derivatives

For borrowings and payables with lending establishments offering variable interest rates, the Pierre & Vacances - Center Parcs Group hedges its future interest expense by using derivatives such as interest rate swaps. The group's policy is to reduce its exposure to interest rate fluctuations.

These risks are managed centrally which means that we can define the main hedging guidelines. The positions are traded over the counter with first rank banking counterparties.

Hedging reporting is applicable if:

- the hedging relationship is clearly documented on the date it is put in place; and
- the effectiveness of the hedging relationship is demonstrated prospectively and retrospectively at each period end.

Derivatives are reported on the balance sheet at their fair value. The market value is established on the basis of market data and is confirmed by finance house quotations.

The changes in fair value of the derivatives contracted in this way to cover certain payables are booked directly in shareholders' equity for the effective portion of the coverage and, in the absence of a coverage relationship, or for the ineffective portion of the coverage, the changes in value of the derivatives are reported as financial income.

1.26 - Deferred taxes

All temporary differences existing at the close of each financial year between the book values of the asset and liability items and the values given to those same items for determining taxable income are booked as deferred taxes calculated according to 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 on the date the accounts are closed. The effects of tax rate changes are recorded in income for the year during which the rate change is made.

Income from deferred taxes arising from tax losses that can be carried forward and amortisations considered deferred are not reported as deferred tax assets unless there is a high likelihood that they will be used within the medium term.

The tax charge is booked in income except for tax relating to items recognised in shareholders' equity that is booked directly in shareholders' equity.

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 booked before the services and supplies justifying it have been performed or supplied.

This item mainly includes:

- sales signed in the presence of a notary for property not yet delivered, for the proportion exceeding the turnover calculated by the percentage progress method;
- support funds. Specifically, the "Financial ownership" and "Ownership & Holidays" sales schemes 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 the market rates at the time of the sale, the excess rent, called "support funds", is booked as a reduction to the selling price of the property. In this way, the excess portion of the asset margin is booked in deferred income and, when the property is delivered, is written back according to a straight-line method over the duration of the lease.

1.28 - Turnover

Consolidated turnover comprises:

- **for the tourism business**: the pre-tax value of holidays and related income generated for holidays taken during the year and sales of holidays and fees made as part of its marketing activity by the French travel agency subsidiary (Pierre & Vacances Maeva Distribution). For residences run under management agreements, only management fees invoiced to the customer are included in turnover;
- **for the property development business**:
  - property sales generated by the property development business booked according to the percentage progress method (see Note 1.29 "Method for the recognition of earnings from the property development business") minus, on the date the apartments are delivered, the "support funds" (see Note 1.27 "Deferred income") that is booked in deferred income to be written back to turnover over the duration of the lease using a straight-line method,
  - project management fees billed as the work progresses to property development programmes based in non-group entities,
  - marketing fees billed to non-group companies.

All turnover is valued at the fair value of the consideration received or to be received, net of deductions, discounts and rebates, VAT and other taxes. Services are booked when the service is rendered.

1.29 - Method for the recognition of earnings from the property development business

Turnover and margins from the property development business are reported in the profit and loss account according to the percentage progress method. Since there are no specific standards on the subject, the group has defined percentage progress as the percentage progress of the work multiplied by the percent of turnover from sales signed in the presence of a notary.

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 as a provision for inventory depreciation.

1.30 - Personnel expenses

Personnel expenses include all the monies paid or provisioned by the group, including employee profit-sharing and the expenses associated with share-based payments.

1.31 - Other operating expenses and earnings

Other operating expenses and earnings include items of income which, because of their special nature, are not considered part of the business and the group's current operating income. This includes gains or losses on the sale of non-current assets, depreciation of non-current tangible and intangible assets, restructuring expenses and costs of lawsuits of significant substance to the group, that affect the comparability of current operating income from one period to another.

1.32 - Corporate income tax

Corporate income tax expense or income includes both current taxes and deferred taxes resulting from temporary differences and consolidation adjustments, where justified by the tax position of the group's companies.

1.33 - Earnings per share

Earnings per share are calculated by dividing net attributable income by the weighted average number of shares in circulation during the financial year, minus the Pierre & Vacances treasury stock recorded as a deduction to shareholders' equity. The average number of shares in circulation during the year is the number of ordinary shares in circulation at the beginning of the year, adjusted by the number of ordinary shares bought back or issued during the year.

To calculate net diluted earnings per share, net attributable income for the year 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 resulting from the conversion of instruments including those 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 accretive instruments.

For the years shown, the existing dilutive instruments include options to subscribe for or buy shares and allocations of free shares. The dilutive effects of options to subscribe for or buy shares are calculated according to the "share buyback" method by which the funds that will be collected when the option is exercised or purchased are considered to be assigned primarily to buying back Pierre & Vacances shares at the market price.

NOTE 2 **SCOPE OF CONSOLIDATION**

2.1 - Main changes in the scope of consolidation

Main changes in the scope of consolidation occurring in 2008/2009

As part of its plan to develop the Adagio City Aparthotel brand, the Adagio joint venture, established in 2007 between the Accor and Pierre & Vacances - Center Parcs Groups, acquired shares in the company Adagio Exploitation 1 from "Pierre & Vacances Maeva Tourisme Exploitation", and shares in the company Serana from "Société d'Exploitation d'Hôtels Suite" and "Accor". Adagio Exploitation 1 and Serana run urban residences located in Montrouge and Marseille, and in Annecy and Nantes respectively.

This transaction generated, in the group's income, a pre-tax balancing cash adjustment of €1,450 thousand.

The international growth of the Adagio brand is reflected in the creation of four new companies: Adagio UK (London), Adagio Betriebs (Vienna), Adagio Deutschland (Berlin) and Adagio Bruxelles (Pierre & Vacances Exploitation Belgique).

In order to expand tourism and property development projects in Morocco, the Caisse de Dépôt de Gestion du Maroc and Pierre & Vacances - Center Parcs Groups concluded a strategic partnership agreement on 27 May 2009. This agreement resulted in the creation of two entities:

- a real estate and tourism company, SDRT, 15% owned by the Pierre & Vacances - Center Parcs Group;
- a property development company, SDRT-Immo, 50% owned by the Pierre & Vacances - Center Parcs Group.

The group purchased, as part of its tourism business, two businesses:

- the first, for €230 thousand, was a restaurant located at the Cap Esterel village club;
- the second, for €81 thousand, was a residence in Le Croisic, operated under the Maeva brand.

Furthermore, the group continued its policy of rationalising and simplifying operating and legal organisations by creating new companies or making internal changes of scope (mergers and dissolving of companies by asset mergers).

Main changes in the scope of consolidation in 2007/2008

The significant changes in scope for 2007/2008 were:

- the acquisition of the buildings and the business of a residence at La Défense, as part of the development of the Adagio brand, for a total of €10,538 thousand (€6,858 thousand for the buildings and €3,680 thousand for the business);
- the creation of companies following the launch of new programmes: Paris Bastille, Avoriaz (MGM, Maeva and Pierre & Vacances), Domaine Center Parcs du Bois des Harcholins, Belle Dune, etc.

2.2 - List of the main consolidated entities

French companies

Legal form	*Companies*	*Consolidation method*[1]	% stake at 30/09/2009	*% stake at 30/09/2008*
HOLDING COMPANIES				
SA	Pierre & Vacances	Parent company	100.00%	100.00%
SNC	Pierre & Vacances FI	Full	100.00%	100.00%
GIE	PV-CP Services	Full	100.00%	100.00%
French Tourism				
SA	Pierre & Vacances Tourisme Europe	Full	100.00%	100.00%
Center Parcs				
SNC	Center Parcs Holding Belgique	Full	100.00%	100.00%
SNC	Center Parcs Holding France	Full	-	100.00%
SAS	Center Parcs Holding France	Full	100.00%	100.00%
SNC	Center Parcs Holding Franco-Belge	Full	-	100.00%
Property development				
SAS	CP Prog Holding	Full	100.00%	100.00%
SAS	Pierre & Vacances Immobilier Holding	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	Full	100.00%	100.00%
TOURISM				
French Tourism				
SCI	Auberge de Planchamp	Full	100.00%	100.00%
SEP	Avoriaz La Falaise	Proportional	28.50%	28.50%
SA	Citéa	Proportional	50.00%	50.00%
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%
SNC	Latitudes Toulouse	Full	100.00%	100.00%
SNC	Locarev Maeva Résidences	Full	100.00%	100.00%
SNC	Neuilly La Défense	Proportional	50.00%	50.00%
SAS	Orion	Full	100.00%	100.00%
SAS	Parking de Val d'Isère La Daille	Full	100.00%	100.00%
SAS	Pierre & Vacances Esterel Développement	Full	100.00%	100.00%
SA	Pierre & Vacances Maeva Distribution	Full	100.00%	100.00%
SAS	Pierre & Vacances Maeva Tourisme Exploitation	Full	100.00%	100.00%
SAS	Pierre & Vacances Maeva Tourisme Management	Full	100.00%	100.00%
SAS	Pierre & Vacances Rénovation Tourisme	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%

(1) Full: fully consolidated   Proportional: proportionally consolidated   Equity: equity method.

Legal form	Companies	Consolidation method(1)	% stake at 30/09/2009	% stake at 30/09/2008
SARL	Société de Gestion des Mandats	Full	100.00%	100.00%
SA	Société Financière des Arcs	Full	-	100.00%
SNC	Société Hotelière de l'Anse à la Barque Tourisme	Full	100.00%	100.00%
SA	Sogire	Full	100.00%	100.00%
Adagio				
SAS	Adagio Exploitation 1	Proportional	50.00%	100.00%
SAS	Adagio Holding	Proportional	50.00%	50.00%
SNC	La Défense 10	Proportional	50.00%	50.00%
SAS	New City Apart Hôtel	Proportional	50.00%	50.00%
SARL	New City Suisse	Proportional	50.00%	50.00%
SAS	Serana	Proportional	50.00%	-
Center Parcs				
SCS	Center Parcs France	Full	100.00%	100.00%
SNC	Domaine du Lac de l'Ailette	Full	100.00%	100.00%
SCS	Domaine des Trois forêts	Full	100.00%	-
PROPERTY DEVELOPMENT				
French Property Development				
SNC	Alpe Huez Soleil	Full	-	100.00%
SNC	Arles Saladelles Loisirs	Full	-	100.00%
SNC	Audierne Loisirs	Full	100.00%	100.00%
SNC	Avoriaz Equipements	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 Pierre & Vacances Loisirs II	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	Avoriaz Tourisme Développement	Full	100.00%	100.00%
SNC	Belle Dune Loisirs	Full	100.00%	100.00%
SNC	Belle Plagne Soleil	Full	-	100.00%
SNC	Bénodet Tourisme Développement	Full	-	100.00%
SNC	Branville Tourisme Développement	Full	100.00%	100.00%
SNC	Britania Loisirs	Full	100.00%	100.00%
SNC	Camargue Loisirs	Full	100.00%	100.00%
SNC	Cap Océan	Full	-	100.00%
SNC	Charmettoger Développement	Full	100.00%	100.00%
SNC	Chamonix Loisirs	Full	100.00%	100.00%
SARL	Cobim	Full	100.00%	100.00%
SNC	Coches Boulier Développement	Full	-	100.00%
SNC	Coudalère Loisirs	Full	100.00%	100.00%
SNC	Courchevel 1650 Loisirs	Full	-	100.00%
SNC	Courchevel Forum Loisirs	Full	100.00%	100.00%
SNC	Danestal Tourisme Développement	Full	100.00%	100.00%
SNC	Dhuizon Loisirs	Full	100.00%	100.00%
SNC	Eguisheim Loisirs	Full	-	100.00%

(1) Full: fully consolidated Proportional: proportionally consolidated Equity: equity method.

Legal form	Companies	Consolidation method(1)	% stake at 30/09/2009	% stake at 30/09/2008
SNC	Font Romeu Loisirs	Full	-	100.00%
SNC	Francia La Villa	Full	-	100.00%
SNC	Grimaud Les Restanques	Full	100.00%	100.00%
SNC	Hôtel du Pouliguen	Full	100.00%	100.00%
SNC	Houlgate Loisirs	Full	100.00%	100.00%
SNC	Lacanau Tourisme Développement	Full	100.00%	100.00%
SNC	La Daille Soleil	Full	-	100.00%
SNC	La Grande Motte Loisirs	Full	100.00%	100.00%
SNC	La Mongie Loisirs	Full	-	100.00%
SNC	Le Crotoy Loisirs	Full	100.00%	100.00%
SNC	Le Rouret Loisirs	Full	100.00%	100.00%
SNC	Le Rouret Tourisme Développement	Full	100.00%	100.00%
SNC	Les Maisons du Green Beach Loisirs	Full	100.00%	100.00%
SCI	Les Senioriales Biscarosse	Full	100.00%	100.00%
SCI	Les Senioriales d’Equemauville	Full	100.00%	-
SCI	Les Senioriales de Bergerac	Full	100.00%	100.00%
SCI	Les Senioriales de Camargue – St Gilles	Full	100.00%	100.00%
SCI	Les Senioriales de Carcassonne – Villegly	Full	100.00%	100.00%
SCI	Les Senioriales de Casteljaloux	Full	100.00%	100.00%
SCI	Les Senioriales de Cevennes – St Privat des Vieux	Full	100.00%	100.00%
SCI	Les Senioriales de Fargues Saint Hilaire	Full	100.00%	100.00%
SCI	Les Senioriales de Ferrals	Full	100.00%	-
SCI	Les Senioriales de Gonfaron	Full	100.00%	-
SCI	Les Senioriales de Jonquières	Full	100.00%	100.00%
SCI	Les Senioriales de la Côte d’Azur – Grasse	Full	100.00%	100.00%
SCI	Les Senioriales de la Méditerranée	Full	100.00%	100.00%
SCI	Les Senioriales de l’Atlantique – Meursac	Full	100.00%	100.00%
SCI	Les Senioriales de Paradou	Full	100.00%	-
SCI	Les Senioriales de Provence – les Mées	Full	100.00%	100.00%
SCI	Les Senioriales de Ruoms	Full	100.00%	100.00%
SCI	Les Senioriales de Saleilles	Full	100.00%	100.00%
SCI	Les Senioriales de Salies du Salat	Full	100.00%	100.00%
SCI	Les Senioriales de Salles sur Mer	Full	100.00%	100.00%
SCI	Les Senioriales de Soulac	Full	100.00%	-
SCI	Les Senioriales de St Omer	Full	100.00%	100.00%
SCI	Les Senioriales de St Pantaléon	Full	100.00%	100.00%
SCI	Les Senioriales de Thonon	Full	100.00%	100.00%
SCI	Les Senioriales de Villereal	Full	100.00%	100.00%
SCI	Les Senioriales des Landes – Hinx	Full	100.00%	100.00%
SCI	Les Senioriales du Bassin d’Arcachon	Full	100.00%	100.00%
SCI	Les Senioriales du Lombez	Full	100.00%	100.00%
SCI	Les Senioriales Rochefort du Gard	Full	100.00%	100.00%
SARL	Les Villages Nature de Val d’Europe	Proportional	50.00%	50.00%
SNC	Lille Vauban Développement	Full	-	100.00%

(1) Full: fully consolidated Proportional: proportionally consolidated Equity: equity method.

Legal form	Companies	Consolidation method(1)	% stake at 30/09/2009	% stake at 30/09/2008
SNC	Lot 175 les Hauts Forts	Full	100.00%	100.00%
SNC	Ménuires Aconit Développement	Full	100.00%	100.00%
SNC	Méribel Soleil	Full	-	100.00%
SCI	Montrouge Développement	Proportional	50.00%	50.00%
SCCV	Nantes Russeil	Proportional	50.00%	-
SAS	Paris Tour Eiffel Développement	Full	100.00%	100.00%
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 France International	Full	-	100.00%
SA	Pierre & Vacances Développement	Full	100.00%	100.00%
SAS	Pierre & Vacances Senioriales Promotion et Commercialisation	Full	100.00%	100.00%
SNC	Pont Royal II	Full	100.00%	100.00%
SNC	Presqu'île de La Touques	Full	100.00%	100.00%
SNC	Paris Bastille Loisirs	Full	100.00%	100.00%
SNC	Quend Loisirs	Full	100.00%	100.00%
SA	Société de Développement de Bourgenay	Full	100.00%	100.00%
SNC	Tourisme Montagne Développement	Full	-	100.00%
SAS	Tourisme et Rénovation	Full	100.00%	100.00%
SNC	Tréboul Tourisme Développement	Full	100.00%	100.00%
SNC	Val d'Isère la Daille B Loisirs	Full	-	100.00%
SNC	Val d'Isère Loisirs	Full	100.00%	100.00%
Center Parcs				
SNC	Ailette Equipement	Full	100.00%	100.00%
SNC	Bois des Harcholins Cottages	Full	100.00%	100.00%
SNC	Bois des Harcholins Equipement	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 Loisirs	Full	100.00%	100.00%
SNC	Les Hauts de Bruyères Loisirs	Full	100.00%	100.00%
SNC	Roybon Cottages	Full	100.00%	100.00%
SNC	Roybon Equipements	Full	100.00%	100.00%
OTHER				
SNC	Financière Pierre & Vacances I	Full	100.00%	100.00%
SNC	Financière Pierre & Vacances II	Full	100.00%	100.00%
SNC	La Financière Pierre & Vacances & Cie	Full	100.00%	100.00%
SAS	Pierre & Vacances Investissement 24	Full	100.00%	100.00%
SAS	Pierre & Vacances Investissement 28	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 method.

Foreign companies

Legal form	*Companies*	*Country*	*Consolidation method*(1)	% stake at 30/09/2009	*% stake at 30/09/2008*
HOLDING COMPANIES					
Center Parcs					
NV	Center Parcs Europe	Netherlands	Full	100.00%	100.00%
BV	Center Parcs BF Holding	Netherlands	Full	-	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	Netherlands	Full	100.00%	100.00%
BV	Center Parcs Holding Belgium	Netherlands	Full	100.00%	100.00%
GmbH	Center Parcs Medebach Beteiligungs	Germany	Full	100.00%	100.00%
BV	Center Parcs NL Holding	Netherlands	Full	100.00%	100.00%
BV	Center Parcs Participations	Netherlands	Full	100.00%	100.00%
NV	Center Parcs Real Estate Development	Netherlands	Full	100.00%	100.00%
GmbH & Co.KG	Center Parcs Service	Germany	Full	100.00%	100.00%
BV	Center Parcs Sunparks	Netherlands	Full	100.00%	100.00%
Property development					
SE	Tourism Real Estate Property Holding	Europe	Full	100.00%	100.00%
SE	Tourism Real Estate Services Holding	Europe	Full	100.00%	100.00%
TOURISM					
Center Parcs					
NV	Center Parcs België	Belgium	Full	100.00%	100.00%
GmbH	Center Parcs Bungalowpark Bispingen	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	Netherlands	Full	100.00%	100.00%
GmbH	Center Parcs Bungalowpark Butjadinger Küste	Germany	Full	100.00%	100.00%
NV	Sunparks Groep	Belgium	Full	100.00%	100.00%
GmbH	Sunparks Bostalsee	Germany	Full	94.00%	-
NV	Sunparks Vielsalm	Belgium	Full	100.00%	100.00%
NV	Sunparks Kempense Meren	Belgium	Full	100.00%	100.00%
NV	Sunparks Leisure	Belgium	Full	100.00%	100.00%
Adagio					
GmbH	Adagio Deutschland	Germany	Proportional	50.00%	-
Ltd	Adagio Hotels UK	United Kingdom	Proportional	50.00%	-
GmbH	New City Aparthotels Betriebs	Austria	Proportional	50.00%	-
Orion					
Ltd	Orion Asia Holding Co.	China	Full	100.00%	100.00%
SA	Orion Exploitation Bruxelles Belliard	Belgium	Full	94.51%	-
Sro	Orion Residences	Slovakia	Full	100.00%	-
Ltd	Shenzen Orion Hotel Management	China	Full	100.00%	-

(1) Full: Fully consolidated Proportional: Proportionally consolidated Equity: Equity method.

Legal form	Companies	Country	Consolidation method(1)	% stake at 30/09/2009	% stake at 30/09/2008
Other Tourism					
Srl	Part House	Italy	Proportional	55.00%	55.00%
SPRL	Pierre & Vacances Belux	Belgium	Full	100.00%	100.00%
SA	Pierre & Vacances Exploitation Belgique	Belgium	Full	100.00%	-
Srl	Pierre & Vacances Italia	Italy	Full	100.00%	100.00%
GmbH	Pierre & Vacances Tourisme	Germany	Full	-	100.00%
Ltd	Pierre & Vacances UK	United Kingdom	Full	100.00%	100.00%
SL	Pierre & Vacances Maeva Distribution Espana	Spain	Full	100.00%	100.00%
SL	SET Pierre & Vacances España	Spain	Full	100.00%	100.00%
SA	Société de développement de résidences touristiques	Morocco	Equity	15.00%	-
PROPERTY DEVELOPMENT					
SL	Bonavista de Bonmont	Spain	Full	100.00%	100.00%
Srl	Cala Rossa Immobiliare	Italy	Full	100.00%	100.00%
SL	Nuit & Jour Projections	Spain	Proportional	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	Proportional	49.87%	-
OTHER					
BV	Center Parcs Netherlands 2	Netherlands	Full	100.00%	100.00%
BV	Holding Green	Netherlands	Full	100.00%	100.00%
BV	Multi Resorts Holding	Netherlands	Full	100.00%	100.00%
BV	Pierre & Vacances Group Trademarks	Netherlands	Full	100.00%	100.00%
BV	Pierre & Vacances Group Trademarks Management	Netherlands	Full	100.00%	100.00%
BV	Pierre & Vacances South Europe Holding	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 method.

SECTOR INFORMATION

Based on the group's internal organisation, the sector information is given by business division (primary information) and by geographic region (secondary information). This breakdown reflects the operating organisation of the group's businesses in terms of management and operational control. The group develops its activities through two dovetailed lines of business:

- the property development division which aims to increase the holiday destinations available and adapt the stock of existing residences, villages and hotels to suit changes in customer requirements. It includes the building and marketing to individual investors of hotel rooms, apartments and new or refurbished houses. The property development programmes currently developed are in France, Italy and Spain. It also includes the development of the Les Senioriales division, 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 business organised partly around the Pierre & Vacances Tourisme Europe division and partly around the Center Parcs Europe division:
  - the Pierre & Vacances Tourisme Europe division, within the same operating department, includes the operation of the residences, villages and hotels marketed under the Pierre & Vacances, Maeva, Adagio, Résidences MGM and Hôtels Latitudes brands and located in France, Italy, Spain and Switzerland,
  - the Center Parcs Europe division, within the same operating department, includes the operation of all the villages in the Netherlands, Germany, Belgium and France which are marketed under the Center Parcs Europe and Sunparks brands.

Within each business and within each division there is a country-based organisation that runs the businesses from day to day.

Inter-divisional turnover is generated on normal market terms.

The unassigned assets include shares accounted for by the equity method, long-term investments, other assets of a financial nature, current and deferred tax receivables and non-current assets and asset groups held for sale.

The unassigned liabilities include bank borrowings and current and deferred tax payables.

The information by geographic region is shown for each geographic region in which the subsidiaries are located.

NOTE 3 INFORMATION BY BUSINESS DIVISION

	2008/2009				
	Tourism		Property development	Unassigned	Total
(in thousands of euros)	Pierre & Vacances Tourisme Europe	Center Parcs Europe			
Business turnover	552,788	612,223	305,423	-	1,470,434
Turnover between business groups	-16,033	-1,010	-2,070	-	-19,113
External turnover	**536,755**	**611,213**	**303,353**	**-**	**1,451,321**
Current operating income	**1,970**	**39,901**	**22,325**	**-**	**64,196**
Other operating expenses and earnings	642	-1,765	-93	-	-1,216
Operating income	**2,612**	**38,136**	**22,232**	**-**	**62,980**
Amortisation expenses	**18,371**	**28,338**	**310**	**-**	**47,019**
Depreciation expenses	**-**	**-**	**-**	**-**	**0**
Tangible and intangible investments	**39,738**	**39,239**	**969**	**2,062**	**82,008**
Non-current assets	223,335	449,138	23,579	80,947	776,999
Current assets	169,248	65,810	369,690	132,261	737,009
Total assets	**392,583**	**514,948**	**393,269**	**213,208**	**1,514,008**
Non-current liabilities	8,225	16,204	381	183,185	207,995
Current liabilities	272,580	171,238	275,018	96,224	815,060
Total liabilities excluding shareholders' equity	**280,805**	**187,442**	**275,399**	**279,409**	**1,023,055**

	2007/2008				
	Tourism		*Property development*	*Unassigned*	*Total*
(in thousands of euros)	*Pierre & Vacances Tourisme Europe*	*Center Parcs Europe*			
Business turnover	558,423	628,631	257,195	-	1,444,249
Turnover between business groups	-17,992	-530	-1,276	-	-19,798
External turnover	**540,431**	**628,101**	**255,919**	**-**	**1,424,451**
Current operating income	**15,832**	**60,897**	**26,760**	**-**	**103,489**
Other operating expenses and earnings	-2,561	-1,930	-867	-	-5,358
Operating income	**13,271**	**58,967**	**25,893**	**-**	**98,131**
Amortisation expenses	**15,724**	**25,204**	**343**	**-**	**41,271**
Depreciation expenses	**-**	**-**	**-**	**-**	**0**
Tangible and intangible investments	**33,958**	**52,993**	**336**	**2,596**	**89,883**
Non-current assets	202,500	459,516	23,020	90,072	775,108
Current assets	159,894	62,170	508,780	185,478	916,322
Total assets	**362,394**	**521,686**	**531,800**	**275,550**	**1,691,430**
Non-current liabilities	9,140	17,274	508	228,461	255,383
Current liabilities	297,907	185,943	411,949	70,218	966,017
Total liabilities excluding shareholders' equity	**307,047**	**203,217**	**412,457**	**298,679**	**1,221,400**

	2006/2007				
	Tourism(*)		*Property development*	*Unassigned*	*Total*
(in thousands of euros)	*Pierre & Vacances Tourisme Europe*	*Center Parcs Europe*			
Business turnover	522,597	557,145	495,858	-	1,575,600
Turnover between business groups	-20,555	-592	-4,185	-	-25,332
External turnover	**502,042**	**556,553**	**491,673**	**-**	**1,550,268**
Current operating income	**12,550**	**46,881**	**46,319**	**-**	**105,750**
Other operating expenses and earnings	-1,686	-2,282	36	1,356	-2,576
Operating income	**10,864**	**44,599**	**46,355**	**1,356**	**103,174**
Amortisation expenses	**14,127**	**14,626**	**300**	**-**	**29,053**
Depreciation expenses	**980**	**-**	**-**	**-**	**980**
Tangible and intangible investments	**22,659**	**183,391**	**216**	**935**	**207,201**
Non-current assets	183,335	430,829	23,106	76,330	713,600
Current assets	147,665	62,107	333,515	234,034	777,321
Total assets	**331,000**	**492,936**	**356,621**	**310,364**	**1,490,921**
Non-current liabilities	10,635	30,177	307	204,369	245,488
Current liabilities	276,570	189,342	288,389	68,966	823,267
Total liabilities excluding shareholders' equity	**287,205**	**219,519**	**288,696**	**273,335**	**1,068,755**

(*) Financial statements restated according to the change of method described in Note 1.3 "Change of method: costs of design and manufacture of advertising means".

NOTE 4 INFORMATION BY GEOGRAPHIC REGION

(in thousands of euros)	2008/2009 Turnover	2008/2009 Intangible and tangible investments	2008/2009 Total assets
France	682,225	45,924	596,402
Netherlands	275,888	14,805	181,333
Germany	73,498	4,781	25,319
Belgium	101,518	12,506	34,360
Italy	7,121	40	2,896
Spain	7,718	921	3,878
Unassigned(*)	-	-	63,343
TOURISM	**1,147,968**	**78,977**	**907,531**
France	293,015	960	362,134
Italy	1,348	-	3,599
Spain	8,990	9	27,189
Morocco	-	-	347
PROPERTY DEVELOPMENT	**303,353**	**969**	**393,269**
UNASSIGNED	**-**	**2,062**	**213,208**
TOTAL	**1,451,321**	**82,008**	**1,514,008**

(*) Goodwill and the Center Parcs brand that cannot be valued separately by country.

(in thousands of euros)	2007/2008 Turnover	2007/2008 Intangible and tangible investments	2007/2008 Total assets
France	686,897	42,113	567,181
Netherlands	284,125	16,412	174,658
Germany	75,688	4,670	24,787
Belgium	111,489	23,474	47,705
Italy	7,122	246	3,817
Spain	3,211	36	2,589
Unassigned(*)	-	-	63,343
TOURISM	**1,168,532**	**86,951**	**884,080**
France	249,740	332	493,671
Italy	5,941	-	4,172
Spain	238	4	33,957
PROPERTY DEVELOPMENT	**255,919**	**336**	**531,800**
UNASSIGNED	**-**	**2,596**	**275,550**
TOTAL	**1,424,451**	**89,883**	**1,691,430**

(*) Goodwill and the Center Parcs brand that cannot be valued separately by country.

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(in thousands of euros)	2006/2007 Turnover	Intangible and tangible investments	Total assets
France	591,930	178,806	536,667
Netherlands	259,832	16,029	81,667
Germany	86,802	2,760	23,755
Belgium	104,726	7,701	26,069
Italy	12,069	747	5,673
Spain	3,236	7	2,153
Unassigned(*)	-	-	149,213
TOURISM(**)	**1,058,595**	**206,050**	**825,197**
France	470,660	209	312,903
Italy	19,455	-	7,173
Spain	1,558	7	36,545
PROPERTY DEVELOPMENT	**491,673**	**216**	**356,621**
UNASSIGNED	**-**	**935**	**309,103**
TOTAL	**1,550,268**	**207,201**	**1,490,921**

(*) Goodwill and the Center Parcs brand that cannot be valued separately by country.
(**) Financial statements restated according to the change of method described in Note 1.3 "Change of method: costs of design and manufacture of advertising means".

ANALYSIS OF MAIN BALANCE SHEET ITEMS

NOTE 5 GOODWILL

(in thousands of euros)	30/09/2009	30/09/2008	30/09/2007
Gross values	174,674	174,822	171,142
Accumulated amortisation and impairments	-22,689	-22,689	-22,689
NET VALUES	**151,985**	**152,133**	**148,453**

Goodwill was automatically value-tested on 30 September 2009 according to the procedures described in Notes 1.11 and 7. The tests carried out did not reveal the need to report an impairment by income for 2008/2009. The same applied on 30 September 2008 and 2007.

The changes in the net balance of goodwill for 2008/2009 are analysed as follows:

(in thousands of euros)	
Net values at 30 September 2007	**148,453**
Increase in gross value and impact of additions to the scope	3,680
Disposals	-
Impairments	-
Reclassification and other changes	-
Net values at 30 September 2008	**152,133**
Increase in gross value and impact of additions to the scope	311
Disposals	-
Impairments	-
Reclassification and other changes	-459
NET VALUES AT 30 SEPTEMBER 2009	**151,985**

The change in the gross value of goodwill in 2008/2009 is linked to the acquisition of two businesses for €311 thousand (see Note 2: "scope of consolidation") and the assignment of part of the La Défense 10 business, acquired on 31 July 2008, to tangible fixed assets for €459 thousand.

Net values at the year-end

(in thousands of euros)	30/09/2009	30/09/2008	30/09/2007
Center Parcs Europe	63,344	63,344	63,344
Pierre & Vacances Tourisme Europe	69,014	69,162	65,482
Pierre & Vacances Promotion Immobilière	1,463	1,463	1,463
Pierre & Vacances Développement España	336	336	336
Les Senioriales	17,828	17,828	17,828
TOTAL NET VALUE	**151,985**	**152,133**	**148,453**

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NOTE 6 INTANGIBLE FIXED ASSETS

(in thousands of euros)	*Brands*	*Other intangible fixed assets*	*Total intangible fixed assets*
At 30 September 2007			
Gross values	105,745	51,548	157,293
Accumulated amortisation and depreciation	-1,508	-19,441	-20,949
NET VALUES	**104,237**	**32,107**	**136,344**
Changes			
Acquisitions	79	9,272	9,351
Disposals and write-offs	-	-565	-565
Business combinations	-	-	0
Amortisation	-	-3,371	-3,371
Impairment	-	-	0
Writebacks of amortisation and impairment	-	172	172
Reclassifications	-	-520	-520
TOTAL CHANGES FOR THE YEAR	**79**	**4,988**	**5,067**
At 30 September 2008			
Gross values	105,824	59,735	165,559
Accumulated amortisation and depreciation	-1,508	-22,640	-24,148
NET VALUES	**104,316**	**37,095**	**141,411**
Changes			
Acquisitions	53	14,897	14,950
Disposals and write-offs	-	-84	-84
Business combinations	-	-	0
Amortisation	-	-3,980	-3,980
Impairment	-	-	0
Writebacks of amortisation and impairment	-	73	73
Reclassifications	-	-443	-443
TOTAL CHANGES FOR THE YEAR	**53**	**10,463**	**10,516**
At 30 September 2009			
Gross values	105,877	74,105	179,982
Accumulated amortisation and depreciation	-1,508	-26,547	-28,055
NET VALUES	**104,369**	**47,558**	**151,927**

Intangible assets at 30 September 2009 are:

- **the "Brands" item** including €85,870 thousand for the Center Parcs brand, €7,472 thousand for the Pierre & Vacances brand, €5,505 thousand for the Sunparks brand, €3,236 thousand for the Maeva brand, €2,040 thousand for the Les Senioriales brand, €114 thousand for the Multivacances brand, €100 thousand for the Adagio brand and €32 thousand for the Ecolidays brand. The latter was acquired in 2008/2009.

  According to the method described in the reporting principles for intangible fixed assets (Note 1.12), an impairment test was carried out on 30 September 2009 for each of the brands on the balance sheet according to the procedures described in Note 7. This test did not lead to the recording of depreciation;
- **the "Other intangible fixed assets" item**, which includes €35,143 thousand for the investments in the Pierre & Vacances Tourisme Europe division and €6,023 thousand for the investments in the Center Parcs Europe division. These fixed assets relate mainly to investments arising from the overhaul of their information systems. Over the financial year, the investments made by the group as part of upgrading the information systems come to €14,950 thousand (including €10,250 thousand on the reservation system and the Internet network).

NOTE 7 VALUATION TESTS OF GOODWILL AND INTANGIBLE ASSETS WITH AN INDEFINITE LIFE

Intangible fixed assets with an indefinite life consist mainly of brands and goodwill. They are not amortised and are subjected to an impairment test as soon as indications of impairment appear and at least once a year at the year-end, namely on 30 September of each year.

As indicated in Note 1.11 and in the absence of a market value available at the year-end, the recoverable value of the cash generating units (CGUs) is determined on the basis of their value in use.

The recoverable value of each group of assets tested was therefore compared with its value in use defined as being equal to the sum of the net discounted cash flows.

Cash flows were based on 4-year business plans produced 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 outside macro-economic information in Europe. Note that the business plans are produced on a like-for-like basis, that is without increased capacity, even though the projects are already identified. Assumptions made when estimating value in use are based on predicted operating cash flows mainly associated with the change in turnover which, for its part, varies with supply, occupancy rates and average sale prices.

Beyond this explicit projection period, cash flows are extrapolated by applying a perpetual growth rate which, to be on the safe side, was assumed to be slightly lower than the long-term growth rate of the countries in which the businesses operate. The discount rate used in determining values in use justifying the value of the assets is based on the average cost of the group's capital, on its marginal cost of borrowing and on interest rates resulting from the market and adjusted to the characteristics of the group's assets.

Within each business sector, the CGU group used to assess the recoverable value of the assets reflects the group's activities in terms of financial reporting. So the main Pierre & Vacances - Center Parcs Group CGUs to which virtually all the goodwill and brands on the balance sheet relate are:

- for tourism:
  - the Pierre & Vacances Tourisme Europe CGU group which contains within the same operating department the operation of the residences and villages in France, Italy and Spain,
  - the Center Parcs Europe CGU group which contains the Center Parcs and Sunparks business through villages in the Netherlands, France, Germany and Belgium;
- for property development:
  - the les Senioriales CGU which relates to the property development and marketing business in France for the residences targeted at active seniors.

The assignment of goodwill and brands to the various CGUs thus identified appears as follows on 30 September 2009, 2008 and 2007.

	30/09/2009			30/09/2008			30/09/2007		
(in thousands of euros)	**Goodwill**	**Brand**	**Total**	*Goodwill*	*Brand*	*Total*	*Goodwill*	*Brand*	*Total*
Pierre & Vacances Tourisme Europe	69,014	10,954	79,968	69,162	10,901	80,063	65,482	10,822	76,304
Center Parcs Europe	63,344	91,375	154,719	63,344	91,375	154,719	63,344	91,375	154,719
Les Senioriales	17,828	2,040	19,868	17,828	2,040	19,868	17,828	2,040	19,868
Other CGU groups	1,799	-	1,799	1,799	-	1,799	1,799	-	1,799
TOTAL NET VALUES	**151,985**	**104,369**	**256,354**	**152,133**	**104,316**	**256,449**	**148,453**	**104,237**	**252,690**

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 and discount rate of the main CGUs and CGU groups that represent the majority of the goodwill and intangible assets with an indefinite lifetime:

	Pierre & Vacances Tourisme Europe	*Center Parcs Europe*
Perpetual growth rate	**1.5%**	**1.5%**
Discount rate used	**9.2%** (versus 9.4% on 30 September 2008)	**9.2%** (versus 9.4% on 30 September 2008)
Sensitivity of the recoverable value to the perpetual growth rate	A half-point increase and decrease in the perpetual growth rate have an impact of +6% and -5% respectively on the recoverable value	A half-point increase and decrease in the perpetual growth rate have an impact of +6% and -5% respectively on the recoverable value
Sensitivity of the recoverable value to the discount rate	A one-point increase and decrease in the discount rate have an impact of -13% and +17% respectively on the recoverable value	A one-point increase and decrease in the discount rate have an impact of -13% and +17% respectively on the recoverable value

Assumptions made when estimating value in use are based on predicted operating cash flows mainly associated with the change in turnover which, for its part, varies with supply, occupancy rates and average sale prices.

The same assumptions have been used for Les Senioriales. Differences in sensitivity are very close to those obtained in relation to Pierre & Vacances Tourisme Europe and Center Parcs Europe.

The discount rate used in determining values in use justifying the value of the assets is based on the average cost of the group's capital, on its marginal cost of borrowing and on interest rates resulting from the market and adjusted to the characteristics of the group's assets.

NOTE 8 TANGIBLE FIXED ASSETS

(in thousands of euros)	*Land*	*Buildings*	*Fixtures and fittings*	*Other tangible fixed assets and current fixed assets*	*Total tangible fixed assets*
At 30 September 2007					
Gross values	15,328	192,495	213,341	140,178	561,342
Accumulated amortisation and depreciation	-1,203	-29,112	-92,006	-83,260	-205,581
NET VALUES	**14,125**	**163,383**	**121,335**	**56,918**	**355,761**
Changes					
Acquisitions	1,553	10,101	36,734	32,144	80,532
Disposals and write-offs	-359	-409	-25,241	-14,443	-40,452
Business combinations	-	-	-	-	0
Amortisation	-	-6,245	-18,553	-13,092	-37,890
Impairment	-	-	-	-	0
Writebacks of amortisation and impairment	243	311	25,122	9,949	35,625
Reclassifications	-269	-835	1,248	2,260	2,404
TOTAL CHANGES FOR THE YEAR	**1,168**	**2,923**	**19,310**	**16,818**	**40,219**
At 30 September 2008					
Gross values	16,253	200,624	222,459	163,419	602,755
Accumulated amortisation and depreciation	-960	-34,318	-81,814	-89,683	-206,775
NET VALUES	**15,293**	**166,306**	**140,645**	**73,736**	**395,980**
Changes					
Acquisitions	1,157	5,590	24,509	35,802	67,058
Disposals and write-offs	-89	-292	-4,103	-31,071	-35,555
Business combinations	-	-	13	114	127
Amortisation	-	-6,567	-22,120	-14,428	-43,115
Impairment	-	-	-	-	0
Writebacks of amortisation and impairment	13	249	4,020	7,339	11,621
Reclassifications	-26	396	1,205	-475	1,100
TOTAL CHANGES FOR THE YEAR	**1,055**	**-624**	**3,524**	**-2,719**	**1,236**
At 30 September 2009					
Gross values	17,295	206,205	244,085	167,809	635,394
Accumulated amortisation and depreciation	-947	-40,523	-99,916	-96,792	-238,178
NET VALUES	**16,348**	**165,682**	**144,169**	**71,017**	**397,216**

The tangible fixed assets, with a net book value of €397,216 thousand at 30 September 2009, essentially include the assets:

- **of the Center Parcs Europe division** with a net value of €288,396 thousand mainly consisting of furniture and general fittings needed for operating villages.

  The main changes for the year arise from:

  - investments of €36,465 thousand including in particular:
    - €26,379 thousand for improving the product mix of all the Center Parcs villages, including €10,200 thousand for the Dutch villages, €7,265 thousand for the French villages, €5,059 thousand for the Belgian villages and €3,855 thousand for the German villages,
    - €7,436 thousand for work financed by the property owners, as part of the extension work on the village of De Haan (€1,848 thousand) and the refurbishment of other sites, including €2,786 thousand associated with work on the village of Oost Duinkerke, €1,381 thousand associated with work on

the village of Ardennen and €947 thousand associated with work on the village of Kempense Meren,

- the previously agreed sale of the above works. During the year, the owner, Foncière Des Murs, refinanced all the works (including the expenses that had been incurred for 2007/2008), that is €22,427 thousand;

- **of the Pierre & Vacances Tourisme Europe division** for a net amount of €105,401 thousand. It mainly comprises general services, fittings and equipment needed for operating the sites.

  During the year, the operating companies purchased general services and furniture for €9,752 thousand and overhauled part of the stock of televisions in the residences operated, through a lease finance contract (€5,990 thousand).

  They also carried out refurbishment work on the operated site for €19,277 thousand, including €7,776 thousand at Cap Esterel, €940 thousand for the residence Paris Opéra, €642 thousand at Rouret and €640 thousand at Les Deux Alpes.

Lease financing contracts:

At 30 September 2009, the net value of tangible fixed assets includes a total of €154,572 thousand for the restatement of the fixed assets held under lease financing agreements, compared with €154,688 thousand at 30 September 2008. The corresponding residual long-term debt stood at €126,338 thousand at 30 September 2009 compared with €123,405 thousand at 30 September 2008 (see Note 21 "Long-term debt").

At 30 September 2009, the item "Lease financing contracts" includes especiallly:

- the central facilities of the Domaine Center Parcs du Lac d'Ailette village for €145,861 thousand; the corresponding long-term debt is €116,036 thousand;
- the overhaul of the stock of televisions in the residences operated by Pierre & Vacances Tourisme Europe for €8,320 thousand.

NOTE 9 COMPANIES ACCOUNTED FOR BY THE EQUITY METHOD

(in thousands of euros)	30/09/2009	30/09/2008	30/09/2007
Société de développement de résidence Touristique	5	-	-
TOTAL	**5**	**0**	**0**

As part of its development in Morocco, the Pierre & Vacances - Center Parcs Group created a tourism company in partnership with the company Madaef (a subsidiary of Caisse de Dépôt de Gestion du Maroc). The group owns 15% of this entity, the share value at 30 September being €5 thousand.

NOTE 10 NON-CURRENT FINANCIAL ASSETS

(in thousands of euros)	*Available for sale financial assets(*)*	*Related receivables*	*Loans and other financial assets*	*Total financial assets*
At 30 September 2007				
Gross values	9,564	163	27,274	37,001
Accumulated depreciation	-	-	-189	-189
NET VALUES	**9,564**	**163**	**27,085**	**36,812**
Changes				
Changes in scope	-	-	-	0
Acquisitions	-	31	1,354	1,385
Disposals	-282	-	-1,277	-1,559
Impairment	-	-	-88	-88
Impairment writebacks	-	-	-	0
Reclassifications	-	-180	-	-180
TOTAL CHANGES FOR THE YEAR	**-282**	**-149**	**-11**	**-442**
At 30 September 2008				
Gross values	9,282	14	27,351	36,647
Accumulated depreciation	-	-	-277	-277
NET VALUES	**9,282**	**14**	**27,074**	**36,370**
Changes				
Changes in scope	-	-	-	0
Acquisitions	15	-	2,204	2,219
Disposals	-2	-	-1,599	-1,601
Impairment	-	-	-47	-47
Impairment writebacks	-	-	-	0
Reclassifications	-	-	-	0
TOTAL CHANGES FOR THE YEAR	**13**	**0**	**558**	**571**
At 30 September 2009				
Gross values	9,295	14	27,956	37,265
Accumulated depreciation	-	-	-324	-324
NET VALUES	**9,295**	**14**	**27,632**	**36,941**

(*) Available for sale financial assets (non-consolidated short-term investments) are entered at fair value and shown in Note 11.

"Loans and other financial assets", representing a net book value of €27,632 thousand at 30 September 2009 mainly consist of:

- guarantee deposits in the amount of €24,080 thousand paid to property owners/lessors and suppliers. These deposits mainly concern the Pierre & Vacances Tourisme Europe division (€7,189 thousand) and the Center Parcs Europe division (€16,298 thousand). The latter sum relates to deposits of three months' rent paid to the owners, including €9,780 thousand relating to the 7 villages sold in 2002/2003 and €6,462 thousand relating to the villages of Les Hauts de Bruyères and Bois Francs;
- loans of €2,074 thousand granted under the "Ownership & Holidays" scheme. These are fixed-rate loans (with rates from 5.12% to 6.40% depending on the loan) and will be repaid between November 2009 and September 2013.

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NOTE 11 AVAILABLE FOR SALE FINANCIAL ASSETS (NON-CONSOLIDATED SHORT-TERM INVESTMENTS)

At 30 September 2009, the book value of shares in non-consolidated companies breaks down as follows:

Company	*% holding*	*Book value of shares held (in thousands of euros)*	*Financial information on the companies (in thousands of euros)*	
			Shareholders' equity	*Net income*
Sunparks De Haan NV	10.00%	3,338	33,383	449
Sunparks Oostduinkerke NV	10.00%	2,553	25,531	1,011
Sunparks Projects NV	10.00%	1,260	12,601	191
Sunaquapark Oostduinkerke	10.00%	445	4,447	25
Gran Dorado Zandvoort BV	10.00%	827	595	849
Gran Dorado Port Zélande BV	10.00%	661	5,191	746
Medebach Park BV	10.00%	64	5,606	976
Other shares	-	147	-	-
TOTAL		**9,295**	**-**	**-**

"Non-consolidated short-term investments" are mainly.

- 10% of the capital held by Sunparks Groep NV to the value of €7,596 thousand in Sunparks De Haan NV, Sunparks Oostduinkerke NV, Sunparks Projects NV and Sunaquapark Oostduinkerke NV. These are companies carrying the sold buildings of two villages, Oostduinkerke and De Haan, as part of the Sunparks transaction. It should be noted that there is a protocol for an option to buy these shares available to the company Foncière des Murs that can be exercised in one year for which the impact of the discount has been valued in financial instruments, liabilities, at €363 thousand gross;
- 10% of the capital held by Multi Resorts Holding BV to the value of €1,552 thousand in Gran Dorado Zandvoort BV, Gran Dorado Port Zélande BV and Medebach Park BV. The group was required to buy these shares when renegotiating the leases with the new owner of the land and buildings of these 3 Center Parcs villages. The contracts include refurbishment work that the owner agreed to finance and the work took a long time;

The other "Shares in non-consolidated companies" are shares in a range of companies in which the percentage holding (less than 20%) is insufficient to be consolidated in the Pierre & Vacances - Center Parcs Group.

NOTE 12 INVENTORIES AND WORK IN PROGRESS

(in thousands of euros)	**30/09/2009**	*30/09/2008*	*30/09/2007*
Work in progress	77,578	76,614	45,022
Finished products	50,153	36,067	53,499
GROSS PROPERTY DEVELOPMENT PROGRAMMES	**127,731**	**112,681**	**98,521**
Provisions	-3,989	-2,330	-4,406
NET PROPERTY DEVELOPMENT PROGRAMMES	**123,742**	**110,351**	**94,115**
Other inventories	11,126	11,564	18,076
TOTAL	**134,868**	**121,915**	**112,191**

The increase reported during the year in the net balance of inventories and work in progress (+€12,953 thousand) mainly reflects the change in the contribution of the property development programmes (+€13,391 thousand). The breakdown of the contribution of each of the property development programmes to the gross value of the inventories is shown in Note 13.

NOTE 13 CONTRIBUTION OF PROPERTY DEVELOPMENT PROGRAMMES TO THE GROSS VALUE OF INVENTORIES

(in thousands of euros)	*30/09/2008*	*Increases*	*Reductions*	*30/09/2009*
Manilva	26,214	386	-4,618	21,982
Paris Bastille	398	35,486	-21,690	14,194
Bois des Harcholins – Cottages et Villages	10,507	89,351	-90,224	9,634
Roybon Cottages	-	8,527	-	8,527
Les Senioriales – Côte d'Azur	4,607	4,872	-3,654	5,825
Les Senioriales – Ruoms	2,244	5,696	-3,065	4,875
Calarossa	4,976	215	-772	4,419
Avoriaz Résidences MGM	2,415	1,832	-	4,247
Les Senioriales – Jonquières	257	5,771	-2,030	3,998
Avoriaz Pierre & Vacances	1,304	2,524	-	3,828
Danestal (Extension Branville)	2,809	577	-	3,386
Le Pouliguen Hôtel	5,787	1,035	-3,595	3,227
Bois des Harcholins foncière	3,205	-	-	3,205
Les Senioriales – Cevennes	1,142	5,602	-3,655	3,089
Avoriaz Résidences MGM II	-	3,007	-	3,007
Les Senioriales – Paradou	-	2,949	-44	2,905
Neuilly La Défense	8,421	-	-5,555	2,866
Roybon Equipements	-	2,574	-	2,574
Les Senioriales – Salles sur Mer	2,150	3,955	-3,579	2,526
Les Senioriales – Bergerac	2,128	4,857	-4,608	2,377
Les Senioriales – Lombez	220	2,812	-1,429	1,603
Cap d'Agde Rochelongue	2,579	137	-1,551	1,165
Belle Dune	957	6,083	-5,900	1,140
Avoriaz Maeva	370	766	-	1,136
Quend Loisirs	65	764	-	829
Hauts de Bruyères loisirs	131	8,192	-7,517	806
Presqu'île de la Touques	-	634	-	634
Le Hameau de Pont Royal	-	575	-	575
Les Senioriales – Carcassonne	960	-	-529	431
Les Senioriales – Camargue	1,136	-	-728	408
Les Senioriales – Villereal	439	-	-106	333
Les Senioriales – St Hilaire	174	62	-	236
Les Senioriales – Gonfaron	-	200	-	200
Les Senioriales – Soulac	-	170	-	170
Avoriaz Equipements	-	147	-	147
Le Rouret Tourisme Développement	881	5,053	-5,809	125
Les Senioriales – Equemauville	-	121	-	121
Les Senioriales – Méditerranée	470	41	-397	114
Val d'Isère (l'Aquila)	567	250	-792	25

(in thousands of euros)	*30/09/2008*	*Increases*	*Reductions*	**30/09/2009**
Bois des Harcholins Equipement	6,953	-	-6,953	0
Le Rouret	332	54	-386	0
Houlgate	1,513	15,251	-16,764	0
La Grande Motte	255	-	-255	0
Port Aventura	3,544	-	-3,544	0
Other property development programmes	12,571	8,095	-13,824	6,842
PROPERTY DEVELOPMENT SUB-TOTAL	**112,681**	**228,623**	**-213,573**	**127,731**

The gross change in work in progress and finished products of the property development programmes comprises:

- increases for the year arising essentially from:
  - the acquisition of a service residence, Paris Bastille, for €33,500 thousand, the aim being to refurbish 138 apartments, 29 parking spaces and common areas in order to resell to individual investors without attached lease;
  - acquisitions of the land and buildings of residences for the refurbishment of the common areas and the accommodation units for subsequent resale to individual investors using the Pierre & Vacances sales scheme with attached lease. In 2008/2009, these acquisitions represented €681 thousand and related mainly to two additional units within the Hôtel du domaine de Cramphore at Pouliguen for €571 thousand;
  - acquisitions of land for new construction programmes totalling €8,450 thousand. This amount consists of €2,026 thousand for the Résidences MGM, Pierre & Vacances and Maeva programmes in Avoriaz and €6,424 thousand for land acquired as part of the Les Senioriales programmes;
  - work done during the year on the new build or refurbishment programmes thus creating an increase in gross inventory of €185,992 thousand.

  The main programmes concerned are the cottages at the site Domaine Center Parcs du Bois des Harcholins (€89,351 thousand), Houlgate (€15,251 thousand), Center Parcs – Roybon (€11,101 thousand), Les Hauts de Bruyères (€8,192 thousand), the Avoriaz Pierre & Vacances and MGM programmes (€7,363 thousand), Belle Dune (€6,083 thousand), Branville (€5,991 thousand), Les Senioriales – Jonquières (€5,771 thousand), Les Senioriales – Ruoms (€5,696 thousand), Les Senioriales – Cevennes (€5,602 thousand), Le Rouret Tourisme Développement (€5,053 thousand) and Les Senioriales – Côte d'Azur (€4,872 thousand);
- reductions relating to reporting on the percentage completion method of income from new build or refurbishment programmes totalling €-213,573 thousand. These reductions are found in the following programmes in particular: the cottages at the site Domaine Center Parcs du Bois des Harcholins (€-90,224 thousand), Paris Bastille (€-21,690 thousand), Houlgate (€-16,764 thousand), Les Hauts de Bruyères (€-7,517 thousand), Belle Dune (€-5,900 thousand), Le Rouret Tourisme Développement (€-5,809 thousand), Manilva (€-4,618 thousand), Les Senioriales – Bergerac (€-4,608 thousand) and Les Senioriales – Cevennes (€-3,655 thousand).

NOTE 14 TRADE RECEIVABLES AND RELATED ACCOUNTS

(in thousands of euros)	30/09/2009	30/09/2008	30/09/2007
Property development	165,461	315,987	170,090
Tourism	80,050	79,552	77,504
Services	997	859	675
GROSS TRADE RECEIVABLES	**246,508**	**396,398**	**248,269**
Property development	-764	-610	-381
Tourism	-7,193	-6,425	-6,588
Services	-33	-35	-
PROVISIONS	**-7,990**	**-7,070**	**-6,969**
TOTAL	**238,518**	**389,328**	**241,300**

At 30 September 2009, the €150,810 thousand reduction in the net value of "Trade receivables and related accounts" was attributable to the property development business, the balance of which fell by €150,526 thousand.

This fall was the result of:

- receipts as works progressed (€205,330 thousand), relating mainly to the following programmes: Domaine Center Parcs du Bois des Harcholins (€138,986 thousand), Belle Dune, Branville, Hauts de Bruyères and Houlgate;
- partially offset by the €52,247 thousand increase in receivables arising from capital fund campaigns to be carried out on sales signed in the presence of a notary during the year and relating to programmes not yet delivered as at 30 September 2009 (essentially Avoriaz – €34,203 thousand).

NOTE 15 OTHER CURRENT ASSETS

(in thousands of euros)	30/09/2009	30/09/2008	30/09/2007(*)
Advances and downpayments	9,323	7,303	8,389
Current accounts	10,498	10,758	9,152
Statements – taxes	106,772	93,947	104,583
"Ownership & Holidays" loans	12,702	13,361	7,167
Other receivables	50,319	45,586	32,339
Hedging instruments	-	423	740
GROSS VALUES	**189,614**	**171,378**	**162,369**
Provisions	-727	-991	-1,285
OTHER NET DEBTORS	**188,887**	**170,387**	**161,084**
Marketing fees and publicity – Tourism	406	318	260
Marketing fees and publicity – Property Development	21,874	31,007	23,119
Rent	25,053	25,149	23,605
Sundry prepayments	12,010	10,923	10,612
PREPAYMENTS	**59,343**	**67,397**	**57,596**
TOTAL	**248,230**	**237,784**	**218,680**

(*) Financial statements restated according to the change of method described in Note 1.3 "Change of method: costs of design and manufacture of advertising means".

Other current assets increased by €10,446 thousand in 2008/2009.

The variation is analysed as follows:

- a €12,826 thousand increase in "Statements – taxes" mainly attributable to the Domaine Center Parcs du Bois des Harcholins property development programme (€5,447 thousand) and the tourism business (€6,532 thousand) following an increase in VAT receivables;
- a €9,133 thousand decrease in "Prepayments – marketing fees and publicity – property development" following the sale of property inventories in programmes such as Branville, Belle Dune, Bois des Harcholins Cottages and Houlgate.

NOTE 16 CASH AND CASH EQUIVALENTS

(in thousands of euros)	**30/09/2009**	*30/09/2008*	*30/09/2007*
Cash	58,351	84,168	44,398
Cash equivalents	57,042	83,127	117,766
TOTAL	**115,393**	**167,295**	**162,164**

The details of cash equivalents by type are analysed as follows:

(in thousands of euros)	**30/09/2009 Fair value**	*30/09/2008 Fair value*	*30/09/2007 Fair value*
Money market funds	56,991	83,114	117,748
Deposits	51	13	18
TOTAL	**57,042**	**83,127**	**117,766**

NOTE 17 NOTES ON THE CASH FLOW STATEMENT

17.1 - Net cash flow assigned to the acquisition and disposal of subsidiaries

The net amount of cash assigned to the acquisition and disposal of subsidiaries (the amount of investments or net disposals of available cash in the subsidiary on the date of the transactions) during the last 3 years, as shown on the consolidated cash flow statement, is analysed as follows:

(in thousands of euros)	2008/2009	2007/2008	2006/2007
Acquisitions			
SAS Serana	13	-	-
Goodwill of Cap Esterel restaurant	-230	-	-
Goodwill of Le Croisic business	-81	-	-
Goodwill of Adagio La Défense	-	-3,680	-
Sunparks	-	-	-79,309
Les Senioriales	-	-	-21,609
Goodwill of Hôtel du Golf de Courchevel 1650	-	-	-734
Goodwill of La Grande Motte	-	-	-611
Anse à la Barque	-	-	119
SUBTOTAL OF SUBSIDIARY ACQUISITIONS	**-298**	**-3,680**	**-102,144**
Disposals			
SAS Adagio exploitation 1	1,557	-	-
Sunparks De Haan NV	-	-	35,095
Sunparks Oostduinkerke NV	-	-	30,355
Sunparks Projects NV	-	-	13,209
Sunaquapark Oostduinkerke	-	-	4,795
Domaine Skiable de Valmorel	-	-	2,773
SUBTOTAL OF SUBSIDIARY DISPOSALS	**1,557**	**0**	**86,227**
TOTAL	**1,259**	**-3,680**	**-15,917**

Net cash assigned to the acquisition and disposal of subsidiaries generated a cash surplus of €1,259 thousand for 2008/2009. The transactions are detailed in the Note 2.1 "Main changes in the scope of consolidation".

Net cash assigned to the acquisition and disposal of subsidiaries generated a cash requirement of €3,680 thousand for 2007/2008. The transaction is detailed in the Note 2.1 "Main changes in the scope of consolidation".

Net cash assigned to the acquisition and disposal of subsidiaries generated a cash requirement of €15,917 thousand for 2006/2007. It included essentially:

- the payment made for buying the "Sunparks" shares for €80,038 thousand, minus the positive cash flow of €729 thousand;
- the payment made for the "Les Senioriales" shares for €24,844 thousand, minus the positive cash flow of €3,235 thousand;
- the money received for the sale, as part of the Sunparks transaction, of the companies holding the sold buildings of two villages, Oostduinkerke and De Haan. This sale generated total cash of €83,454 thousand.

17.2 - Net cash flow

The cash flow showing in the cash flow table is broken down as follows:

(in thousands of euros)	30/09/2009	30/09/2008	30/09/2007
Cash and cash equivalents	115,393	167,295	162,164
Credit bank balances	-3,284	-2,650	-2,470
NET CASH FLOW	**112,109**	**164,645**	**159,694**

NOTE 18 GROUP SHAREHOLDERS' EQUITY

Capital and additional paid-in capital

During 2008/2009, Pierre & Vacances SA increased its capital by issuing new shares through definitive free allotment shares allocated by the Board on 9 January 2007:

Date	*Number of shares*	*Price (in euros)*	*Shares allocated by the Board on:*
9 January 2009	8,665	0.00	9 January 2007
TOTAL	**8,665**	**0.00**	

As the price for these shares was zero, the attribution did not affect the attributable shareholders' equity.

Share capital at 30 September 2009 was €88,195,760 and was divided into 8,819,576 fully paid-up ordinary shares with a par value of €10 each. During the period ending 30 September 2009, the weighted average number of ordinary shares in circulation stood at 8,684,622.

Potential capital: options to subscribe for shares

The analysis of the potential capital and its movements during 2008/2009, 2007/2008, 2006/2007, are detailed in the table below:

	2008/2009	2007/2008	2006/2007
Number of shares at 1 October	**8,810,911**	**8,810,911**	**8,781,836**
Number of shares issued during the year (prorata temporis)			
Exercising of options to subscribe for Pierre & Vacances shares	6,282	-	13,382
Pierre & Vacances shares held by Pierre & Vacances SA and deducted from consolidated shareholders' equity	-132,571	-116,395	-79,832
Weighted average number of shares	**8,684,622**	**8,694,516**	**8,715,386**
Dilutive effect			
Options to subscribe for and purchase Pierre & Vacances shares	556	24,849	82,577
Free allotment of Pierre & Vacances shares	86,362	36,586	19,608
Diluted weighted average number of shares	**8,771,540**	**8,755,951**	**8,817,571**

Acquisitions of own shares

During 2008/2009, the Pierre & Vacances - Center Parcs Group bought 16,091 of its own shares for a total of €1,034 thousand recorded as a credit to the treasury stock reserve. At 30 September 2009, the group held 135,793 of its own shares for a total value of €9,453 thousand.

Dividends

Dividends paid

The Combined General Meeting of 12 February 2009 decided to distribute a dividend of €2.70 per share, that is a total of €23,438 thousand.

Proposed distribution of dividends

At the Combined General Meeting of 18 February 2010, a dividend of €1.50 per share will be proposed, that is a total of €13,229 thousand representing 40.3% of current net income (current operating income + corporate income tax on the foregoing + financial income + corporate income tax on the foregoing + share in income of companies accounted for by the equity method – share of minority interests).

NOTE 19 MINORITY INTERESTS

(in thousands of euros)	2008/2009	2007/2008	2006/2007
Minority interests at 1 October	**3**	**-33**	**2**
Change in scope	3	36	-
Dividends paid/Appropriation of income	-	-	-68
Income for the year	-	-	33
MINORITY INTERESTS AT 30 SEPTEMBER	**6**	**3**	**-33**

NOTE 20 PROVISIONS

(in thousands of euros)	30/09/2008	Allocations	Writebacks used	Writebacks not used	Reclassifications	30/09/2009
Refurbishment	24,805	5,558	-8,255	-	-	22,108
Retirement commitments and related benefits	11,598	2,039	-1,665	-	4	11,976
Provisions for disputes	2,571	509	-314	-353	5	2,418
Other provisions	12,015	5,281	-4,737	-1,011	-1,044	10,504
TOTAL	**50,989**	**13,387**	**-14,971**	**-1,364**	**-1,035**	**47,006**
Non-current portion	*28,283*					*26,361*
Current portion	*22,706*					*20,645*

(in thousands of euros)	30/09/2009	30/09/2008	30/09/2007
Refurbishment	15,907	17,263	32,395
Retirement commitments and related benefits	9,783	10,244	9,522
Other provisions	671	776	382
NON-CURRENT PROVISIONS	**26,361**	**28,283**	**42,299**
Refurbishment	6,201	7,542	5,887
Retirement commitments and related benefits	2,193	1,354	2,207
Provisions for disputes	2,418	2,571	1,686
Other provisions	9,833	11,239	4,212
CURRENT PROVISIONS	**20,645**	**22,706**	**13,992**
TOTAL	**47,006**	**50,989**	**56,291**

Provisions fell by €3,983 thousand in 2008/2009.

This reduction was mainly due to:

- a net writeback of €2,697 thousand in provisions for refurbishment, including €1,894 thousand in the Center Parcs Europe division and €803 thousand in the Pierre & Vacances Tourisme Europe division. These provisions are calculated on the basis of projected cost for the refurbishment work under the contractual obligations to maintain leased residences and villages. In 2008/2009, the group discounted these provisions at the average rate of the cost of financing of the group. Calculations also include an assumed 2% increase in the cost of works. The impact of this discounting on the group's operating income was €2,597 thousand. Provisions for refurbishment work were fully reviewed on 31 March 2009 and rationalised according to price planning of work enabling discounting to be calculated;
- a net writeback of €2,836 thousand in provisions for restructuring linked to the introduction of the plan to provide greater synergy between the Pierre & Vacances Tourisme Europe and Center Parcs Europe divisions.

Provision for disputes

Outstanding disputes at 30 September 2009 for which the group will probably or certainly have to pay out to a third party without at least equivalent compensation amounted to €2,418 thousand.

Each dispute is monitored and analysed by the group's Legal Department which assesses its potential cost on a case-by-case basis with the assistance of outside specialists where necessary. A provision for the estimated cost of the risk is booked in the financial statements of the various entities involved.

The breakdown of provisions for disputes and their changes during the year is as follows:

(in thousands of euros)	*Disputes in the tourism business*	*Disputes in the property development business*	*Individual employee disputes*	*Total disputes*
Balance of provisions at 30 September 2007	**253**	**605**	**828**	**1,686**
New disputes	1,527	250	347	2,124
Writebacks for expenditure for the period	-254	-4	-482	-740
Writebacks not used	-	-530	-40	-570
Reclassifications	51	-	20	71
Balance of provisions at 30 September 2008	**1,577**	**321**	**673**	**2,571**
New disputes	-	-	509	509
Writebacks for expenditure for the period	-21	-	-293	-314
Writebacks not used	-240	-	-113	-353
Reclassifications	-	-	5	5
BALANCE OF PROVISIONS AT 30 SEPTEMBER 2009	**1,316**	**321**	**781**	**2,418**

Provisions for restructuring

Provisions for restructuring are included under "Other provisions" and are broken down as follows:

(in thousands of euros)	2008/2009	2007/2008	2006/2007
Balance of provisions at 1 October	**3,635**	**1,845**	**3,091**
New restructuring operations	799	2,477	684
Writebacks for expenditure for the period	-2,879	-331	-1,376
Writebacks not used	-756	-285	-554
Reclassifications	-	-71	-
BALANCE OF PROVISIONS AT 30 SEPTEMBER	**799**	**3,635**	**1,845**

Provision for retirement commitments and related benefits

Provisions for retirement commitments and related benefits, which are assessed by independent actuaries, are determined according to the group's reporting principles (see Note 1.23 "Pension commitments and related benefits"). The commitments reported relate mainly to France and the Netherlands. The main actuarial assumptions used for each country for the assessment are as follows:

	30/09/2009		30/09/2008		30/09/2007	
	France	Netherlands	France	Netherlands	France	Netherlands
Discount rate	5.25%	5.25%	6.50%	6.50%	5.25%	5.25%
Expected rate of return on assets	NA	5.00%	NA	5.25%	NA	5.10%
Rate of salary increase	2.00%	3.00%	2.00%	3.50%	2.00%	3.00%
Inflation rate	2.00%	2.00%	2.00%	2.50%	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 €).

The amounts reported on the balance sheet at 30 September are broken down as follows:

	30/09/2009			30/09/2008			30/09/2007		
(in thousands of euros)	Pension schemes	Other benefits	Total	Pension schemes	Other benefits	Total	Pension schemes	Other benefits	Total
Discounted value of the financed obligation	51,611	3,892	55,503	42,848	3,085	45,933	47,099	3,114	50,213
Fair value of the scheme assets	45,742	-	45,742	42,409	-	42,409	44,466	-	44,466
Net value of the obligation	**5,869**	**3,892**	**9,761**	**439**	**3,085**	**3,524**	**2,633**	**3,114**	**5,747**
Actuarial profits (losses) not reported	2,215	-	2,215	8,074	-	8,074	5,982	-	5,982
NET BALANCE SHEET LIABILITY	**8,084**	**3,892**	**11,976**	**8,513**	**3,085**	**11,598**	**8,615**	**3,114**	**11,729**

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The change in pension commitments is as follows:

(in thousands of euros)	2008/2009 Pension schemes	2008/2009 Other benefits	2008/2009 Total	2007/2008 Pension schemes	2007/2008 Other benefits	2007/2008 Total	2006/2007 Pension schemes	2006/2007 Other benefits	2006/2007 Total
Actuarial debt at 1 October	**8,513**	**3,085**	**11,598**	**8,615**	**3,114**	**11,729**	**8,088**	**2,811**	**10,899**
Cost of services rendered	913	257	1,170	1,306	395	1,701	1,455	302	1,757
Net interest charges	2,756	391	3,147	2,403	145	2,548	2,082	133	2,215
Return on scheme assets	-2,228	-	-2,228	-2,250	-	-2,250	-1,940	-	-1,940
Contributions and benefits paid	-1,450	-279	-1,729	-1,362	-277	-1,639	-1,062	-256	-1,318
Actuarial differences reported	-420	438	18	-170	-272	-442	-20	63	43
Cost of past services	-	-	0	-	-	0	-	-	0
Change in scope	-	-	0	-29	-20	-49	12	61	73
ACTUARIAL DEBT AT 30 SEPTEMBER	**8,084**	**3,892**	**11,976**	**8,513**	**3,085**	**11,598**	**8,615**	**3,114**	**11,729**

The change in fair value of the assets held to cover the commitments is broken down as follows:

(in thousands of euros)	2008/2009	2007/2008	2006/2007
Fair value of investments at 1 October	**42,409**	**44,466**	**42,436**
Expected return on scheme assets	2,228	2,250	1,940
Employer contributions received	990	1,062	815
Contributions received from scheme members	783	803	785
Benefits paid and expenses for the period	-1,469	-1,425	-1,176
Estimated value of investments at 30 September	**44,941**	**47,156**	**44,800**
Fair value of investments at 30 September	**45,742**	**42,409**	**44,466**
Actuarial difference	801	-4,747	- 334
EFFECTIVE RETURN ON SCHEME ASSETS DURING THE PERIOD	**3,029**	**-2,497**	**1,606**

Sensitivity study

Sensitivity of the effective return on scheme assets during the period is as follows: a 0.5 point increase in the expected rate of return on assets would increase the effective return on scheme assets by €212 thousand. Conversely, a 0.5 point fall in the expected rate of return on assets would reduce the effective return on scheme assets during the year by €212 thousand.

The breakdown of the fair value of assets held to cover the commitments by asset category is analysed as follows:

(in thousands of euros)	30/09/2009	30/09/2008	30/09/2007
Cash	-448	23	-109
Shares	8,802	6,985	8,535
Fixed rate investments	38,250	36,279	36,040
Debts	-862	-878	-
FAIR VALUE	**45,742**	**42,409**	**44,466**

For the year ending 30 September 2008, provisions had changed as in the table below:

(in thousands of euros)	*30/09/2007*	*Allocations*	*Writebacks used*	*Writebacks not used*	*Reclassifications*	*30/09/2008*
Refurbishment	38,282	1,298	-6,519	-8,293	37	24,805
Retirement commitments and related benefits	11,729	1,619	-1,750	-	-	11,598
Provisions for disputes	1,686	2,124	-740	-570	71	2,571
Other provisions	4,594	8,812	-998	-285	-108	12,015
TOTAL	**56,291**	**13,853**	**-10,007**	**-9,148**	**0**	**50,989**
Non-current portion	*42,299*					*28,283*
Current portion	*13,992*					*22,706*

NOTE 21 BANK BORROWINGS

Breakdown by type and business sector

(in thousands of euros)	30/09/2009	30/09/2008	30/09/2007
Long-term borrowings			
Bank borrowings	28,725	48,600	68,547
Tourism	*27,750*	*46,250*	*64,750*
Property development	*975*	*2,350*	*3,797*
Bridging loans	7,278	31,674	11,531
Property development	*7,278*	*31,674*	*11,531*
Lease financing contracts	122,675	122,155	121,600
Tourism	*122,675*	*122,155*	*121,600*
Other bank borrowings	2,428	1,573	1,511
Tourism	*1,277*	*418*	*354*
Property development	*1,151*	*1,155*	*1,157*
LONG-TERM SUB-TOTAL	**161,106**	**204,002**	**203,189**
of which Tourism	*151,702*	*168,823*	*186,704*
of which Property development	*9,404*	*35,179*	*16,485*
Short-term borrowings			
Bank borrowings	20,872	21,317	21,069
Tourism	*17,636*	*18,135*	*17,998*
Property development	*3,236*	*3,182*	*3,071*
Bridging loans	23,007	19,617	8,483
Property development	*23,007*	*19,617*	*8,483*
Lease financing contracts	3,663	1,250	968
Tourism	*3,663*	*1,250*	*754*
Property development	-	-	*214*
Other bank borrowings	485	1,294	1,112
Tourism	*422*	*1,206*	*1,099*
Property development	*63*	*88*	*13*
Credit bank balances	3,284	2,650	2,470
Tourism	*3,071*	*2,337*	*1,855*
Property development	*213*	*313*	*615*
SHORT-TERM SUB-TOTAL	**51,311**	**46,128**	**34,102**
of which Tourism	*24,792*	*22,928*	*21,706*
of which Property development	*26,519*	*23,200*	*12,396*
TOTAL	**212,417**	**250,130**	**237,291**
of which Tourism	*176,494*	*191,751*	*208,410*
of which Property development	*35,923*	*58,379*	*28,881*

Bank borrowings and bridging loans at 30 September 2009 are essentially as follows:

Tourism business

- the principal still owed (€46,250 thousand) on the "Corporate" loan relating to the borrowings taken out for the external growth transactions. The loan outstanding at 30 September 2009 is broken down as follows:
  - €35,700 thousand to purchase the additional 50% of the Center Parcs Europe subgroup,
  - €10,550 thousand to buy Gran Dorado, the first 50% of the capital of Center Parcs Europe and Maeva.

This loan is due to mature on 26 March 2012. The repayment plan for it uses the straight-line method and corresponds to a yearly repayment of the principal of €18,500 thousand.

Property development business

- the bridging loans totalling €30,285 thousand put in place for property development:
  - €20,736 thousand to finance the property development programmes of the Les Senioriales,
  - €8,955 thousand to finance the Paris Bastille programme,
  - €594 thousand to finance the first tranche of the MGM residence in Avoriaz;
- the outstanding principal of the loan to finance the "Nouvelle Propriété" debt acquired mainly as part of the purchase of Résidences MGM (€2,348 thousand after taking account of the €1,441 thousand repayment for the period).

During 2008/2009, the capital still owing from financing put in place as part of the Bois des Harcholins Cottages and Manilva property development programmes in Spain was repaid (€-30,524 thousand and €-8,649 thousand respectively).

The Pierre & Vacances - Center Parcs Group also has three confirmed credit lines totalling €107 million, these breaking down as follows:

- €12 million maturing in August 2010;
- €5 million maturing in April 2011;
- €90 million maturing in March 2012.

These credit lines had not been used at 30 September 2009.

The bank borrowings corresponding to restatement of lease finance contracts are broken down as follows:

(in thousands of euros)	30/09/2009	30/09/2008	30/09/2007
Domaine du Lac d'Ailette village	116,036(*)	117,404	118,729
PVMTE	10,020(**)	5,455	2,740
Sunparks	205(***)	370	544
Center Parcs Europe	77(****)	176	341
Résidence Bénodet	-	-	214
TOTAL	**126,338**	**123,405**	**122,568**

(*) The underlying net asset (€145,861 thousand at 30 September 2009) is recorded in tangible fixed assets.
(**) The underlying net asset (€8,320 thousand at 30 September 2009) is recorded in tangible fixed assets.
(***) The underlying net asset (€203 thousand at 30 September 2009) is recorded in tangible fixed assets.
(****) The underlying net asset (€187 thousand at 30 September 2009) is recorded in tangible fixed assets.

Other bank borrowings consist essentially of the early exercise of the purchase option that Pierre & Vacances has with the new Chief Executive Officer of the Les Senioriales subgroup in the amount of €1,100 thousand.

Breakdown by maturity

The change in maturity of gross bank borrowings is broken down as follows:

Maturities (in thousands of euros)	*Balance at* 30/09/2009	30/09/2008	30/09/2007
Year N+1	51,311	46,128	34,113
Year N+2	30,061	54,209	32,188
Year N+3	13,382	21,771	20,585
Year N+4	3,922	12,299	19,986
Year N+5	5,173	3,872	10,889
Year >N+5	108,568(*)	111,851	119,530
TOTAL	**212,417**	**250,130**	**237,291**

(*) Including €108,095 thousand for the lease finance contracts.

Breakdown by currency

All bank borrowings and debt are denominated in euros. The group's bank borrowings therefore incur no currency risk.

Breakdown of main loans by interest rate type

Fixed rate loans

The main fixed rate loans recorded as liabilities in the balance sheet on 30 September 2009 are those that relate to the restatement of the lease financing contracts. The nominal value of bank borrowings relating to the restatement of the lease financing contracts and taken out at a fixed rate is €116,318 thousand. The majority of these loans carry interest at 6.02%.

Date taken out	*Maturity date*	**Principal outstanding at 30/09/2009** *(in millions of euros)*	*Lender rate*
Lease financing contracts			
18/07/2005	18/07/2010	0.1	4.55%
21/09/2005	31/12/2038	116.0	6.02%(*)
01/09/2006	01/08/2011	0.1	7.24%
15/11/2005	15/10/2011	0.1	6.27%
TOTAL		**116.3**	

(*) The lease financing contract for the Center Parcs Europe Domaine du Lac d'Ailette programme was a variable rate until 10 January 2008 (Eonia+margin). Since then, it has been at a fixed rate (6.02%), which will continue until the contract matures. At 30 September 2009, the repayment value including interest was €250.8 million.

Variable rate loans

The nominal amount of bank loans, bridging loans and lease finance contracts taken out at a variable rate is €88,012 thousand 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 loans, the Pierre & Vacances - Center Parcs Group has set up interest rate swap contracts (described in Note 23 "Hedging instruments").

Variable rate bank loans, bridging loans and lease finance contracts together with their related hedging instruments break down as follows:

Bank loans, bridging loans and lease financing contracts				*Hedging*			
Date taken out	*Maturity date*	*Principal outstanding at 30/09/2009 (in millions of euros)*	*Lender rate*	*Instrument type*	*Notional at 30/09/2009 (in millions of euros)*	*Maturity date*	*Rate details*
Bank borrowings							
17/09/2003	30/09/2011	2.3	6-month Euribor + margin	None			
26/03/2007	26/03/2012	9.9	1 to 6-month Euribor + margin	Swap	10.0	26/03/2010	Lender rate: 6-month Euribor Borrower rate: fixed: 3.7200%
26/03/2007	26/03/2012	35.5	1 to 6-month Euribor + margin	Swap	13.1	26/03/2010	Lender rate: 6-month Euribor Borrower rate: fixed: 3.6850%
				Swap	0.0	27/09/2010	Lender rate: 6-month Euribor Borrower rate: fixed: 1.9500%
				Swap	0.0	26/03/2011	Lender rate: 6-month Euribor Borrower rate: fixed: 2.1400%
				Swap	14.0	26/03/2012	Lender rate: 6-month Euribor Borrower rate: fixed: 2.2300%
SUB-TOTAL		**47.7**			**37.1**		
Bridging loans							
03/12/2007	31/12/2009	1.8	T4M + margin	None			
24/09/2007	31/12/2009	3.5	T4M + margin	None			
10/06/2008	31/12/2009	4.7	T4M + margin	None			
02/06/2008	31/03/2010	1.9	3-month Euribor + margin	None			
19/12/2008	19/06/2010	9.0	1-month Euribor + margin	None			
08/01/2008	30/06/2010	2.1	3-month Euribor + margin	None			
09/12/2008	09/12/2010	4.0	3-month Euribor + margin	None			
29/05/2009	30/06/2011	2.7	T4M + margin	None			
07/07/2009	31/12/2011	0.6	3-month Euribor + margin	None			
SUB-TOTAL		**30.3**			**0.0**		
Lease financing contracts							
01/07/2007	01/04/2015	10.0	12-month Euribor + margin	None			
SUB-TOTAL		**10.0**			**0.0**		
TOTAL		**88.0**			**37.1**		

Guarantees

(in thousands of euros)	30/09/2009	30/09/2008	30/09/2007
Guarantees	257,144	287,182	276,362
Mortgages	-	8,917	5,120
TOTAL	**257,144**	**296,099**	**281,482**

The guarantees granted by the group as security for its bank loans mainly include:

- a first-call guarantee of €187,589 thousand that can be written down, granted to the bank with which it took out a lease finance contract for the Domaine du Lac d'Ailette village facilities;
- first-call guarantees given by Pierre & Vacances SA to banks in connection with financing the "Corporate" loans taken out by the group. Following the refinancing of the balance of the loan finalised in March 2007, the first-call guarantees were lifted and replaced by new, identical first-call guarantees whose maturity has been extended by 2.5 years. These guarantees correspond to 1.1 times the amount of capital still owing on the Center Parcs Europe loan on 30 September 2009, or €39,270 thousand;
- guarantees of €20,736 thousand granted for bridging loans for the Les Senioriales property development programmes;
- the guarantee granted by the company Pierre & Vacances SA to the value of €8,955 thousand for the bridging loan used to finance the Paris Bastille programme;
- the guarantee granted by the company Pierre & Vacances SA to the value of €594 thousand for the bridging loan put in place to finance the first tranche of the MGM residence in Avoriaz.

The change in maturity of the guarantees is broken down as follows:

	Balance at		
***Maturities** (in thousands of euros)*	30/09/2009	30/09/2008	30/09/2007
Year N+1	41,094	37,565	25,758
Year N+2	25,512	49,761	30,132
Year N+3	10,544	18,234	18,802
Year N+4	2,849	10,544	19,017
Year N+5	3,026	2,849	11,403
Year >N+5	174,119	177,146	176,370
TOTAL	**257,144**	**296,099**	**281,482**

NOTE 22 FINANCIAL INSTRUMENTS

The table below shows the book value and the fair value of the financial instruments reported on the balance sheet:

(in thousands of euros)	*Category IAS 39*	*30/09/2009* Book value(*)	*30/09/2008* Book value(*)	*30/09/2007* Book value(*)
ASSETS				
Non-current financial assets		36,941	36,370	36,812
Available for sale financial assets	Assets available for sale at fair value by shareholders' equity	9,295	9,282	9,564
Related receivables	Loans and receivables at amortised cost	14	14	163
Loans and other financial assets	Loans and receivables at amortised cost	27,632	27,074	27,085
Trade receivables and related accounts(**)	Loans and receivables at amortised cost	238,518	389,328	241,300
Other current assets	Loans and receivables at amortised cost	72,792	68,714	47,372
Cash and cash equivalents	Financial assets at fair value by income	115,393	167,295	162,164
Asset derivatives	See Note 23 – Hedging instruments	-	423	740
LIABILITIES				
Bank borrowings (including the proportion at less than one year)		209,133	247,480	234,821
Bank borrowings	Financial liabilities at amortised cost	49,597	69,917	89,616
Lease financing contracts	Financial liabilities at amortised cost	126,338	123,405	122,568
Other bank borrowings	Financial liabilities at amortised cost	33,198	54,158	22,637
Trade payables and related accounts	Financial liabilities at amortised cost	278,733	272,674	334,202
Other current liabilities(**)	Financial liabilities at amortised cost	169,408	163,762	159,952
Financial instrument	Financial liabilities at fair value	363	709	1,042
Current bank loans	Financial liabilities at amortised cost	3,284	2,650	2,470
Liability derivatives	See Note 23 – Hedging instruments	530	-	-

(*) The fair values of financial instruments do not differ significantly from book values.
(**) Other current assets and liabilities are restated from items not considered such as "financial instruments" within the meaning of IAS 39, in other words advances and downpayments made and received, receivables and debts reported and prepayments made and received.

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NOTE 23 HEDGING INSTRUMENTS

The derivatives contracted by the Pierre & Vacances - Center Parcs Group at 30 September 2009 are 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 bank borrowings in order to protect it against a possible rise in interest rates. To do this, the group took out swaps with leading banks.

At 30 September 2009, the notional amounts and market values of the swap contracts taken out to cover variable rate loans are as follows:

Lender rate	*Borrower rate*	**Notional at 30/09/2009** *(in thousands of euros)*	*Market value of hedging contracts (in thousands of euros)*	*Start date*	*Maturity date*
6-month Euribor	3.7200%	10,000	-143	26 March 2008	26 March 2010
6-month Euribor	3.6850%	13,125	-173	28 Sept 2009	26 March 2010
6-month Euribor	2.2300%	14,000	-144	28 Sept 2009	26 March 2012
6-month Euribor	1.9500%	0[1]	-30	26 March 2010	27 Sept 2010
6-month Euribor	2.1400%	0[2]	-40	26 March 2010	26 March 2011
TOTAL		**37,125**	**-530**		

The market value of the hedging instruments was €-530 thousand at 30 September 2009, compared with €+423 thousand at 30 September 2008.

(1) Notional changing according to the following repayment schedule:

Lender rate	*Borrower rate*	*Notional (in thousands of euros)*	*Start date*	*Maturity date*
6-month Euribor	1.9500%	-	26 Sept 2009	26 March 2010
6-month Euribor	1.9500%	7,000	26 March 2010	27 Sept 2010

(2) Notional changing according to the following repayment schedule:

Lender rate	*Borrower rate*	*Notional (in thousands of euros)*	*Start date*	*Maturity date*
6-month Euribor	2.1400%	-	26 Sept 2009	26 March 2010
6-month Euribor	2.1400%	7,000	26 March 2010	26 Sept 2010
6-month Euribor	2.1400%	7,000	26 Sept 2010	26 March 2011

NOTE 24 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 cash surpluses of subsidiaries are 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 countervailing risk management policy. This centralisation means that financial resources are optimised and the main group entities' cash flow trends are closely monitored.

Countervailing risk

These operations are carried out with banks authorised by Senior Management in line with the countervailing risk management policy. Because of the diversity of counterparties, selected from leading banks according to their rating and the knowledge the group has of them, Pierre & Vacances considers that it is not exposed to a concentration of credit risk. Since Pierre & Vacances - Center Parcs Group Management wants to be able to lay its hands at any moment on available cash consisting of unit trusts and mutual investment funds, the 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 contain any risk relating to these customer receivables.

In the tourism business, risk of non-payment by customers is low, with over 80% of turnover achieved by direct sale.

Liquidity risk

At 30 September 2009, the Pierre & Vacances - Center Parcs Group's net cash flow stood at €112,109 thousand. This is gross cash flow (€115,393 thousand) less bank overdrafts (€3,284 thousand).

The group also has three confirmed credit lines (not used at 30 September 2009) totalling €107 million.

The group has no liquidity risk.

The maturities of assets and liabilities associated with financing activities at 30 September 2009 were as follows:

		Maturities		
(in thousands of euros)	30/09/2009	*<1 year*	*1 to 5 years*	*>5 years*
Bank borrowings	49,597	20,872	28,725	-
Lease financing contracts	126,338	3,663	14,580	108,095
Other bank borrowings	33,198	23,492	9,232	474
Bank borrowings (including the proportion at less than one year)	**209,133**	**48,027**	**52,537**	**108,569**
Associated interest flows	137,908	9,025	28,514	100,369
Gross borrowings	**347,041**	**57,052**	**81,081**	**208,938**
Credit bank balances	3,284	3,284	-	-
Hedging instruments	530	530	-	-
Borrowings	**350,855**	**60,866**	**81,081**	**208,938**
Cash equivalents	57,042	57,042	-	-
Cash	58,351	58,351	-	-
Gross cash flow	**115,393**	**115,393**	**0**	**0**

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None of the Pierre & Vacances - Center Parcs Group's bank loans are based on its debt rating. Contracts governing Corporate debt, and the credit lines, contain standard clauses referring to the consolidated financial situation 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 year-end. 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", "cross default".

Covenants on the "Corporate" debt have been renegotiated during the year with the banks to give the group greater financial leeway. Since 8 April 2009, two ratios have been followed:

- Ratio 1: Net loan/EBITDA. This ratio has to be below 1.75;
- Ratio 2: Net loan restated/EBITDAR. This ratio is identical to the one followed previously but with a definition of the restated net loan (Net loan + rental commitments updated at 6%) that corresponds better to the method used by rating agencies. This ratio has to remain below 5.5.

Margins, on the other hand, were increased from this date to 1.75% (compared to 0.70% beforehand).

One of the two new credit lines, which was agreed for €12 million, is subject to compliance with the following ratios:

- net borrowings/Shareholders' equity. This ratio has to be below 1;
- EBITDAR/Servicing of the debt + rent. This ratio has to be above 1.

These covenants are calculated contractually just once a year, at 30 September 2009.

The Pierre & Vacances - Center Parcs Group fully complied with these ratios as of 30 September 2009.

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, so the group uses hedging derivatives such as interest rate swaps. The Pierre & Vacances - Center Parcs Group's financial income thus has little sensitivity to interest rate changes. Only bridging loans backing property transactions are generally not hedged against expected interest rate changes due to their usually limited duration.

At 30 September 2009, the maturities of assets and debts before and after taking account of off-balance sheet transactions break down as follows:

		Maturities		
(in thousands of euros)	**30/09/2009**	*<1 year*	*1 to 5 years*	*>5 years*
Fixed-rate borrowings	116,318	1,774	6,955	107,589
Variable-rate borrowings	88,012	43,878	43,628	506
Accrued interest not due	1,890	1,890	-	-
Financial liabilities	**206,220**	**47,542**	**50,583**	**108,095**
Fixed-rate loans	11,534	1,219	3,334	6,981
Variable-rate loans	3,950	1,338	2,612	-
Variable-rate cash equivalents	57,042	57,042	-	-
Financial assets	**72,526**	**59,599**	**5,946**	**6,981**
NET POSITION BEFORE MANAGEMENT	**133,694**	**-12,057**	**44,637**	**101,114**
Hedging (interest rate swaps)	37,125	23,125	14,000	-
NET POSITION AFTER MANAGEMENT	**96,569**	**-35,182**	**30,637**	**101,114**

The variable rate net position after management on 30 September 2009 is as follows:

		Maturities		
(in thousands of euros)	**30/09/2009**	*<1 year*	*1 to 5 years*	*>5 years*
Borrowings	88,012	43,878	43,628	506
Loans	3,950	1,338	2,612	-
Cash equivalents	57,042	57,042	-	-
NET POSITION BEFORE MANAGEMENT	**27,020**	**-14,502**	**41,016**	**506**
Hedging	37,125	23,125	14,000	-
NET POSITION AFTER MANAGEMENT	**-10,105**	**-37,627**	**27,016**	**506**

A 1% increase in short-term debt would have a €0.4 million effect on financial income for 2009/2010, compared with €13.0 million of financial income for 2008/2009.

Exchange rate risk

Most of the group's assets and liabilities are denominated in euros. Only some subsidiaries have flows denominated in other currencies. As these subsidiaries are only small, the group is not exposed to foreign currency exchange rate variations.

NOTE 25 TRADE PAYABLES AND RELATED ACCOUNTS

(in thousands of euros)	30/09/2009	30/09/2008	30/09/2007(*)
Tourism	188,641	187,066	196,477
Property development	83,508	78,504	131,678
Services	6,584	7,104	6,047
TOTAL	**278,733**	**272,674**	**334,202**

(*) Financial statements restated according to the change of method described in Note 1.3 "Change of method: costs of design and manufacture of advertising means".

"Trade payables and related accounts" show an increase of €6,059 thousand, mainly as a result of the property development business (€5,004 thousand).

This increase is the result of current property development or refurbishment programmes at 30 September 2009 (Domaine Center Parcs du Bois des Harcholins, Houlgate, etc.) and is offset by programmes already delivered (Village du Domaine du Lac d'Ailette, Les Maisons du Green Beach, etc.).

NOTE 26 OTHER CURRENT LIABILITIES

(in thousands of euros)	30/09/2009	30/09/2008	30/09/2007
Downpayments from clients	64,191	84,371	81,434
VAT and other taxes payable	60,421	84,477	60,284
Wages and social security commitments	75,060	83,460	86,914
Payables on acquisition of assets	219	821	843
Financial instruments	893	709	1,042
Other payables	94,129	79,481	72,195
OTHER OPERATING LIABILITIES	**294,913**	**333,319**	**302,712**
Property sales and support funds	165,397	276,032	126,655
Other deferred income	4,061	15,158	11,604
DEFERRED INCOME	**169,458**	**291,190**	**138,259**
TOTAL	**464,371**	**624,509**	**440,971**

The €160,138 thousand reduction in "Other current liabilities" is mainly the result of the property development business of the Pierre & Vacances - Center Parcs Group.

The reduction in deferred income on property sales (€110,635 thousand) is due mainly to:

- deliveries made during 2008/2009 on inventories for which the deed of sale in the presence of a notary had been signed by 30 September 2008;
- the progress of work on facilities at Domaine Center Parcs du Bois des Harcholins worth €51,970 thousand. On 29 September 2008, the Pierre & Vacances - Center Parcs Group signed, with the property development investor VMF, the off-plan sale of the facilities in this programme. This transaction does not affect the group's income. The latter is carrying out the work on facilities on behalf of VMF.

BREAKDOWN OF THE MAIN PROFIT AND LOSS ACCOUNT ITEMS

NOTE 27 PURCHASES AND EXTERNAL SERVICES

(in thousands of euros)	2008/2009	2007/2008	2006/2007(*)
Tourism cost of goods sold	-84,907	-94,804	-80,962
Property development cost of inventories sold	-184,687	-131,726	-297,004
Owner leases and other co-ownership expenses	-363,514	-340,737	-314,238
Subcontracted services (laundry, catering, cleaning)	-31,702	-38,375	-31,495
Advertising and fees	-123,445	-124,427	-153,266
Other	-172,134	-186,850	-169,417
TOTAL	**-960,389**	**-916,919**	**-1,046,382**

(*) *Financial statements restated according to the change of method described in Note 1.3 "Change of method: costs of design and manufacture of advertising means".*

The group's expense for 2008/2009 relating to lease payments received by individual and institutional owners of the land and buildings of the hotels, residences and villages operated by the group was €301.6 million (€185.5 million for those marketed under the Pierre & Vacances Tourisme Europe brands; €116.1 million for the Center Parcs Europe villages).

NOTE 28 PERSONNEL EXPENSES

(in thousands of euros)	2008/2009	2007/2008	2006/2007
Salaries and remunerations	-270,258	-267,343	-250,110
Social security expenses	-76,675	-76,093	-77,087
Cost of defined-contribution and defined-benefit schemes	542	430	-483
Option plan expenses	-2,727	-2,803	-2,122
TOTAL	**-349,117**	**-345,809**	**-329,802**

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Option plan expenses

In application of the transitional requirements for IFRS 2, only stock option plans granted after 7 November 2002 whose rights had not been acquired by 1 January 2005 have been valued and reported on the date of the transition to IFRS.

The features of the plans reported are as follows:

Date of allocation by the Board of Directors	*Type(*)*	*Number of options at the start*	*Period for acquisition of rights*	*Expenses relating to option plans (in thousands of euros)*		
				2008/2009	*2007/2008*	*2006/2007*
11/04/2003	OSA	25,000	4 years	-	-	-65
03/11/2003	OSA	7,150	4 years	-	-4	-46
07/09/2004	OSA	162,300	4 years	-	-735	-787
26/09/2005	OAA	28,000	4 years	-112	-158	-158
26/09/2005	OSA	1,000	4 years	-6	-6	-6
21/07/2006	OAA	16,500	4 years	-52	-113	-113
09/01/2007	OAA	46,875	4 years	-254	-254	-184
09/01/2007	AGA	16,010	2 years	-342	-631	-458
09/01/2007	AGA	11,035	2 years	-51	-420	-305
08/01/2008	OAA	38,375	4 years	-191	-140	-
08/01/2008	AGA	13,010	2 years	-468	-342	-
12/01/2009	AGA	84,135	2 years	-1,115	-	-
12/01/2009	OSA	5,000	4 years	-13	-	-
12/02/2009	AGA	6,275	2 years	-85	-	-
12/02/2009	AGA	13,010	2 years	-38	-	-
TOTAL				**-2,727**	**-2,803**	**-2,122**

(*) OSA: option to subscribe for shares.
OAA: option to purchase shares.
AGA: free allotment shares.

The reported personnel expense is the fair value of the options granted as calculated on the date of grant by the Board using the "Black & Scholes" method. This expense is spread over the vesting period with a countervailing increase in reserves.

The assumptions used to value the options and results obtained are:

	Share value on grant date (in euros)	*Strike price (in euros)*	*Volatility*	*Option period*	*Time to maturity used*	*Risk-free rate*	*Dividend yield rate*	*Probability of beneficiaries leaving*	*Option value on grant date (in euros)*
Plan 26/09/2005	65.40	59.89	39.03%	10 years	5 years	2.71%	2.30%	0%	22.57
Plan 21/07/2006	87.25	80.12	37.67%	10 years	5 years	3.73%	2.30%	10%	30.59
Plan 09/01/2007	93.40	87.40	25.22%	10 years	5 years	4.06%	2.30%	10%	24.04
Plan 09/01/2007	93.40	0.00	25.22%	4 years	2 years	4.04%	2.89%	10%	89.39
Plan 09/01/2007	93.40	0.00	25.22%	4 years	2 years	4.04%	2.89%	0% to 20%(*)	89.39
Plan 08/01/2008	84.67	86.10	30.79%	4 years	5 years	4.03%	2.30%	10%	22.17
Plan 08/01/2008	84.67	0.00	30.79%	2 years	2 years	3.93%	2.89%	10%	79.91
Plan 12/01/2009	43.20	0.0	39.28%	2 years	2 years	4.25%	2.93%	3%	38.58
Plan 12/01/2009	43.20	0.0	39.28%	2 years	2 years	4.25%	2.93%	3%	40.77
Plan 12/01/2009	43.20	39.35	39.28%	4 years	5 years	3.97%	2.32%	0%	14.29
Plan 12/02/2009	43.65	0.0	39.28%	2 years	2 years	4.25%	2.93%	0%	41.20
Plan 12/02/2009	43.65	0.0	39.28%	2 years	2 years	4.25%	2.93%	3%	41.20

(*) The plan involving a large proportion of the employees of the Pierre & Vacances - Center Parcs Group, a turnover rate per entity, professional grade and by age has been applied.

NOTE 29 AMORTISATION AND PROVISIONS

(in thousands of euros)	**2008/2009**	*2007/2008*	*2006/2007*
Amortisation	-47,019	-41,271	-29,053
Provisions	-15,821	-5,155	-11,169
TOTAL	**-62,840**	**-46,426**	**-40,222**

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NOTE 30 CURRENT ITEMS

(in thousands of euros)	2008/2009	2007/2008	2006/2007
Taxes	-2,766	-5,813	-17,961
Other operating expenses	-21,994	-23,482	-24,655
Other operating earnings	9,981	17,487	14,504
TOTAL	**-14,779**	**-11,808**	**-28,112**

"Other operating expenses" are essentially expenses associated with head office costs.

NOTE 31 OTHER OPERATING EXPENSES AND EARNINGS

(in thousands of euros)	2008/2009	2007/2008	2006/2007
Income from disposals	1,395	981	2,801
Restructuring costs	-2,568	-3,862	-3,713
Provisions for restructuring	-43	-2,477	-684
Depreciation of non-current assets	-	-	-980
TOTAL	**-1,216**	**-5,358**	**-2,576**

"Other operational expenses and earnings" for 2008/2009 include:

- the balancing cash adjustment of €1,450 thousand on contributions to the Adagio joint venture (cf. Note 2 "Scope of consolidation");
- €2,568 thousand in restructuring costs net of writeback for provision relating to the continuation of the plan to provide greater synergy between Pierre & Vacances Tourisme Europe and Center Parcs Europe introduced in 2008/2009.

The "Other operating expenses and earnings" in 2007/2008 essentially relate to the introduction of the plan to provide greater synergy between Pierre & Vacances Tourisme Europe and Center Parcs Europe.

"Other operational expenses and earnings" for 2006/2007 mainly include:

- the surplus of €1,356 thousand from the sale of interests in Domaine Skiable de Valmorel;
- the profit of €968 thousand following the sale of the business and non-current assets associated with operating the Pierre & Vacances Cefalù residence in Sicily;
- the restructuring costs net of a writeback for provision of €4,397 thousand of which €2,153 thousand relate to the ongoing reorganisation of the Italian subsidiary's tourism business;
- the total depreciation of €980 thousand for the whole of the business held by the Italian subsidiary following the reorganisation of its business.

NOTE 32 FINANCIAL INCOME

(in thousands of euros)	2008/2009	2007/2008	2006/2007
Gross cost of borrowings	-17,126	-15,234	-7,798
Earnings from cash and cash equivalents	2,766	4,060	3,150
Net cost of borrowings	**-14,360**	**-11,174**	**-4,648**
Income on loans	1,874	756	642
Other financial income	1,076	189	103
Other financial expenses	-1,555	-578	-282
Other financial income and expenses	**1,395**	**367**	**463**
TOTAL	**-12,965**	**-10,807**	**-4,185**
Total financial expenses	*-18,680*	*-15,812*	*-8,080*
Total financial income	*5,715*	*5,005*	*3,895*

Financial income for 2008/2009 mainly includes the costs relating to the lease financing contract for the central facilities of the Domaine du Lac d'Ailette village (€7,632 thousand) and the costs of bank loans taken out by the group to finance its purchase of Center Parcs Europe and Gran Dorado (€3,855 thousand).

NOTE 33 CORPORATE INCOME TAX AND DEFERRED TAXES

Breakdown of the tax charge

(in thousands of euros)	Exercice 2008/2009	Exercice 2007/2008
Consolidated income before tax	**50,015**	**87,324**
Untaxed income:		
Use of losses carried forward previously not activated	-1,170	-866
Unactivated tax losses for the period	10,938	5,813
Intra-group transactions having a tax impact	-47,039	-39,794
Other	8,355	12,126
Income taxable at corporate tax rate applicable in France	**21,099**	**64,603**
Tax rate in France	34.43%	34.43%
Theoretical tax charge at corporate tax rate applicable in France	**7,264**	**22,243**
Impact of changes in tax rate on deferred taxes	566	-
Differences on tax rates abroad	-79	-8,353
GROUP TAX CHARGE	**7,751**	**13,890**
of which corporate income tax	870	3,665
of which deferred taxes	6,881	10,225

Unactivated tax losses for the period owing to their unlikely recovery relate to foreign entities, mainly in Spain.

Furthermore, Pierre & Vacances SA underwent a tax inspection for 2003/2004, 2004/2005 and 2005/2006. Based on a detailed analysis of the reassessment notification received at the end of December 2007, the Pierre & Vacances - Center Parcs Group's legal and tax advisers do not anticipate any financial risk relating to this notification. This matter, which is currently being discussed by the Pierre & Vacances - Center Parcs Group and the tax authorities, is unlikely to have any financial implications for the group.

Analysis of deferred tax assets and liabilities by type and by country

Within the same country, taxable income generated by most of the group's entities are subject to a tax consolidation. The breakdown by country of the deferred tax situation in the group therefore reflects the situation of each tax consolidation sub-group.

(in thousands of euros)	*30/09/2007(*)*	*Change in scope*	*Change by income*	*Changes recorded as shareholders' equity*	*30/09/2008*	*Reclassifications*	*Change by income*	*Changes recorded as shareholders' equity*	**30/09/2009**
France	335	-	16,208	-	16,543	-	-18,009	-	-1,466
Netherlands	-18,484	-	-8,523	81	-26,896	-	3,449	243	-23,204
Belgium	5,289	-	-4,187	-	1,102	-1,084	-681	-	-663
Germany	480	-	309	-	789	-	-240	-	549
Spain	-238	-	-	-	-238	-	-	-	-238
Italy	114	-	27	-	141	-	24	-	165
DEFERRED TAXES ON TIMING DIFFERENCES	**-12,504**	**0**	**3,834**	**81**	**-8,559**	**-1,084**	**-15,457**	**243**	**-24,857**
France	23,404	-	1,326	-	24,730	-	13,362	-	38,092
Netherlands	18,905	-	-15,107	-	3,798	-	-1,122	-	2,676
Belgium	3,748	-	435	-	4,183	-	-2,747	-	1,436
Germany	2,432	-	-713	-	1,719	-	-917	-	802
Spain	245	-	-	-	245	-	-	-	245
Italy	0	-	-	-	0	-	-	-	0
DEFERRED TAXES ON LOSSES CARRIED FORWARD	**48,734**	**0**	**-14,059**	**0**	**34,675**	**0**	**8,576**	**0**	**43,251**
TOTAL	**36,230**	**0**	**-10,225**	**81**	**26,116**	**-1,084**	**-6,881**	**243**	**18,394**
of which deferred tax assets	36,230		12,954	-	49,214	-1,084	-9,208		38,925
of which deferred tax liabilities	-	-	23,179	-81	23,098		-2,327	-243	-20,528

(*) Financial statements restated according to the change of method described in Note 1.3 "Change of method: costs of design and manufacture of advertising means".

At 30 September 2009, deferred tax on losses carried forward was €4,914 thousand for the Center Parcs Europe subgroup.

NOTE 34 EARNINGS PER SHARE

Average number of shares

	2008/2009	2007/2008	2006/2007
Number of shares issued at 1 October	8,810,911	8,810,911	8,781,836
Number of shares issued during the period	8,665	-	29,075
NUMBER OF SHARES ISSUED AT 30 SEPTEMBER	**8,819,576**	**8,810,911**	**8,810,911**
Weighted average number of shares	8,684,622	8,694,516	8,715,386
Weighted average number of shares after dilution	8,771,540	8,755,951	8,817,571

The various dilutive instruments included in calculating the weighted average number of shares after dilution are:

Number of free share (AGAs), share subscription options (OSAs) and purchase options (OAAs) awarded by the Board of Directors:	*Type*	*Strike price (in euros)*	2008/2009	2007/2008	2006/2007
on 18/12/1998 and still valid	OSA	15.24	-	-	-
on 20/03/2000 and still valid	OSA	47.00	-	2,317	2,317
on 20/06/2000 and still valid	OSA	59.99	-	-	-
on 13/11/2000 and still valid	OSA	60.20	-	-	-
on 13/07/2001 and still valid	OSA	61.56	-	-	-
on 11/04/2003 and still valid	OSA	44.00	5,000	5,000	5,000
on 03/11/2003 and still valid	OSA	63.83	-	7,150	7,150
on 07/09/2004 and still valid	OSA	66.09	-	132,588	136,938
on 26/09/2005 and still valid	OSA	59.89	-	1,000	1,000
on 26/09/2005 and still valid	OAA	59.89	-	26,000	26,000
on 21/07/2006 and still valid	OAA	80.12	-	-	12,500
on 09/01/2007 and still valid	OAA	87.40	-	-	46,875
on 09/01/2007 and still valid	AGA	0.00	4,403	16,010	16,010
on 09/01/2007 and still valid	AGA	0.00	2,383	11,035	11,035
on 08/01/2008 and still valid	AGA	0.00	13,010	9,541	-
on 08/01/2008 and still valid	OAA	86.10	-	-	-
on 12/01/2009 and still valid	OAA	39.35	3,583	-	-
on 12/01/2009 and still valid	AGA	0.00	60,297	-	-
on 12/02/2009 and still valid	AGA	0.00	2,106	-	-
on 12/02/2009 and still valid	AGA	0.00	4,164	-	-
			94,946	**202,491**	**264,825**

Earnings per share

	2008/2009	2007/2008	2006/2007
Net attributable income *(in thousands of euros)*	42,264	73,434	75,455
Weighted net attributable income per share *(in euros)*	4.87	8.45	8.66
Weighted net attributable income per share after dilution *(in euros)*	4.82	8.39	8.56

OTHER INFORMATION

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NOTE 35 HEADCOUNT

The average annual headcount (full-time equivalent) for the last 3 years of the companies within the Pierre & Vacances Center-Parcs Group that are fully or proportionally (taken at 100%) consolidated stands as follows:

	2008/2009	2007/2008	2006/2007
Executives	947	849	815
Supervisory staff and employees	8,449	8,681	8,034
TOTAL	**9,396**	**9,530**	**8,849**

NOTE 36 OFF-BALANCE SHEET COMMITMENTS

The security provided by the group to guarantee its bank loans and reciprocal commitments are detailed respectively in Note 21 "Bank borrowings" and Note 23 "Hedging instruments". They are therefore not included in the table below:

	Maturities					
(in thousands of euros)	*<1 year*	*1 to 5 years*	*>5 years*	30/09/2009	*30/09/2008*	*30/09/2007*
Guarantees	6,667	1,766	2,524	10,957	8,616	14,540
Rental commitments	303,965	1,054,284	847,847	2,206,096	2,155,154	2,224,660
Commitments given	**310,632**	**1,056,050**	**850,371**	**2,217,053**	**2,163,770**	**2,239,200**
Guarantees	466	-	31,740	32,206	27,332	26,391
Completion guarantees	114,614	-	-	114,614	138,244	66,886
Commitments received	**115,080**	**0**	**31,740**	**146,820**	**165,576**	**93,277**

Commitments given

- At 30 September 2009, guarantees mainly comprised:
  - the commitments given by Pierre & Vacances SA to contractors carrying out construction work at Domaine Center Parcs du Bois des Harcholins for €3,117 thousand,
  - the commitment of €2,000 thousand given by Pierre & Vacances SA on behalf of New city aparthotel Betriebs GmbH for the renting of an urban residence in Vienna, Austria. This commitment will be reduced to €1,200 thousand as soon as the premises are up and running, in other words in December 2009,
  - commitments given by Pierre & Vacances SA to the joint venture companies in connection with the securitisation of receivables created under the "Ownership & Holidays" scheme in the amount of €2,807 thousand taking account of the lease assignments granted to the group for the receipt of these receivables,
  - the liability guarantee given as part of the sale of the Cefalù residence (€1,600 thousand),
  - the commitment given by Pierre & Vacances Tourisme Europe SA on behalf of Pierre & Vacances Italie Srl for €448 thousand for a VAT loan repayment;
- When the land and buildings of the residences, hotels and villages operated by the Pierre & Vacances - Center Parcs Group's tourism

companies are sold, a lease is signed with the new owners. At 30 September 2009, the rent remaining to be paid by the group over the residual term of these leases amounted to €2,206 million.

The present value of these rental commitments, calculated using a 6.0% discount rate, is €1,677 million.

The breakdown of rental commitments by division and maturity date as at 30 September 2009 is as follows:

		Maturities					
(in thousands of euros)	30/09/2009	*<1 year*	*2 years*	*3 years*	*4 years*	*5 years*	*>5 years*
Pierre & Vacances Tourisme Europe	1,052,666	181,188	162,911	149,665	132,344	112,777	313,781
Center Parcs Europe	1,153,430	122,777	125,315	127,906	127,957	115,409	534,066
TOTAL	**2,206,096**	**303,965**	**288,226**	**277,571**	**260,301**	**228,186**	**847,847**

The main features of the land and buildings lease agreements for the residences, hotels and villages for Pierre & Vacances Europe made 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 lease payment. In certain cases, they can include, in addition to the fixed part, a variable part which remains marginal. These leases are subject to indexation clauses corresponding in France to the building cost index, and in Italy and Spain to the consumer prices index for the country.

The contracts to lease the land and buildings of the 17 villages operated by Center Parcs Europe are signed for periods of between 11.5 and 15 years, with the option of renewal. The rents do not include a variable portion in their determination. They are subject to fixed (2.9%) or variable indexation reflecting inflation or the change in consumer prices in the country in which the assets are located, with ceiling and floor rates usually between 1.75% and 3.75% depending on the contract.

Furthermore, the Société d'Investissement Touristique et Immobilier (the company indirectly controlled by the Chairman and Chief Executive Officer, founder and majority indirect shareholder of Pierre & Vacances SA) has a purchase option allowing him to buy, for €70 million, the land and buildings of the Center Parcs village of Eemhof (in the Netherlands) when the lease expires, namely in October 2018.

The lease agreements for the land and buildings of the four villages operated by Sunparks are for a renewable period of 15 years. The rents do not include a variable portion in their determination. The rents are subject to indexation reflecting the changes in consumer prices in Belgium (health index).

Commitments received

Guarantees correspond mainly to commitments granted by banks to the group's property development and tourism companies with respect to their regulated activities so that they may obtain the relevant licences to conduct their property management, business and property trading and travel agency activities. At 30 September 2009, these commitments amounted to €30,140 thousand.

Completion guarantees are issued by banks with respect to property development transactions. At 30 September 2009, the changes in the completion guarantees are a result of:

- a total increase of €36,824 thousand for the delivery during the year of several new guarantees. The main programmes concerned are Avoriaz MGM (€24,669 thousand), Les Senioriales – Paradou (€6,288 thousand) and Les Senioriales – Lombez (€4,315 thousand);
- a total fall of €60,454 thousand arising from the expiry or resetting of several guarantees during the year relating mainly to Houlgate (€22,245 thousand), Les Senioriales – Cevennes (€6,630 thousand), Les Senioriales – Côte d'Azur (€5,983 thousand), Branville (€5,614 thousand), Le Rouret Tourisme Développement (€4,597 thousand) and Les Senioriales – Bergerac (€4,504 thousand).

NOTE 37 REMUNERATION PAID TO DIRECTORS AND MEMBERS OF THE BOARD

Attendance fees paid to members of the Board with no contractual link to the group for 2008/2009 were €180 thousand, the amount for 2007/2008 was €150 thousand.

For the years ending 30 September 2009 and 30 September 2008, no salary (including benefits in kind) was paid to a company officer directly by Pierre & Vacances SA or by companies of the Pierre & Vacances - Center Parcs Group controlled 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 & Vacances SA) as an asset management company, invoiced for fees for the services rendered by Gérard Brémond, Eric Debry, Thierry Hellin and Patricia Damerval. The fees invoiced by SITI are determined on the basis of direct costs (remuneration paid + related employer expenses + other direct costs: travelling expenses, cost of premises and secretarial services) plus a 5% margin calculated according to the time spent by each person in managing the companies of the Pierre & Vacances - Center Parcs Group. Since these people are on the Executive Committee, their remuneration is included in the table below.

In 2008/2009, all nine members of the Executive Committee received total gross remuneration (including benefits in kind) of €5,984,213, including €2,938,111 for the fixed portion of remuneration and €935,142 for the variable portion (mainly bonuses payable for 2007/2008 paid in the first half of 2008/2009).

The table below shows the total gross remuneration paid to members of the Executive Committee during 2008/2009, 2007/2008 and 2006/2007 (in euros):

	2008/2009	*2007/2008*	*2006/2007*
Fixed remuneration(1)	2,938,111	3,323,750	2,962,378
Variable remuneration(2)	935,142	1,945,000	806,338
Benefits after leaving office(3)	38,708	52,338	47,405
Remuneration in shares(4)	2,072,252	986,663	866,426
TOTAL	5,984,213	**6,307,751**	**4,682,547**

(1) Including reinstatement of the benefit in kind involving the availability of a company car.
(2) Paid in the year following the year for which it is granted.
(3) This includes conventional pension payment.
(4) This is the annual charge relating to the allocation of options to subscribe for shares and free shares.

For each of them, the variable bonus relates to the financial performance of the Pierre & Vacances - Center Parcs Group and the achievement of personal objectives.

NOTE 38 IDENTITY OF THE ULTIMATE HOLDING COMPANY

The financial statements of the Pierre & Vacances - Center Parcs Group are fully consolidated by Société d'Investissement Touristique & Immobilier (SITI).

NOTE 39 TRANSACTIONS WITH RELATED PARTIES

The related parties used by the group are:

- the members of senior management and executive bodies: their remunerations and similar benefits are given in Note 37;
- the parent company of Pierre & Vacances (Société d'Investissement Touristique et Immobilier) and its subsidiaries which are not in the group's scope of consolidation;
- the joint venture companies that are consolidated on a proportional basis: Citéa, Les Villages Nature de Val d'Europe, Montrouge Développement, Nuit & Jour Projections, Part House, entities of the Adagio Group, N.L.D., Nantes Russeil and SDRT Immo (a property development company owned by Pierre & Vacances Maroc).

The main transactions with related companies include:

- invoicing for lease payments and administrative personnel;
- purchase of support and advisory services as part of management agreements;
- lease contracts for apartments operated by the subsidiary Pierre & Vacances Maeva Tourisme Exploitation.

These transactions are conducted on normal market terms.

The details of the transactions with related parties are:

(in thousands of euros)	2008/2009	2007/2008	2006/2007
Turnover	4,480	5,536	3,153
Purchases and external services	-10,844	-14,269	-7,207
Current items	1,583	1,583	938
Financial income	1,343	198	-190

The receivables and liabilities on the balance sheet relating to related parties are:

(in thousands of euros)	30/09/2009	30/09/2008	30/09/2007
Trade receivables and related accounts	4,459	5,154	1,958
Other current assets	24,375	22,329	15,797
Trade payables and related accounts	6,760	8,119	3,365
Other current liabilities	35,798	15,847	23,870

NOTE 40 INFORMATION RELATING TO JOINT VENTURE COMPANIES

The companies over which the group exercises joint control and are consolidated by the proportional method are as follows at 30 September 2009:

- SA Citéa (50%);
- SCI Montrouge Développement (50%);
- SARL Les Villages Natures de Val d'Europe (50%);
- Part House Srl (55%);
- Nuit & Jour Projections SL (50%);
- entities of the Adagio Group (50%);
- SNC N.L.D. (50%);
- SA SDRT Immo (50%);
- SCCV Nantes Russeil (50%).

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The contributions to the group's main balance sheet and profit and loss account totals are as follows (proportional to the group's holding):

Information on the balance sheet

(in thousands of euros)	30/09/2009	30/09/2008	30/09/2007
Non-current assets	5,222	4,323	667
Current assets	30,879	48,642	41,904
TOTAL ASSETS	**36,101**	**52,965**	**42,571**
Non-current liabilities	169	108	40
Current liabilities	28,076	33,569	27,080
TOTAL LIABILITIES EXCLUDING SHAREHOLDERS' EQUITY	**28,245**	**33,677**	**27,120**

Information on the profit and loss account

(in thousands of euros)	2008/2009	2007/2008	2006/2007
Turnover	25,089	11,196	9,660
Current operating income	2,942	1,321	711
Net income	2,287	546	381

NOTE 41 SIGNIFICANT EVENTS SINCE THE END OF 2008/2009

Since 1 October 2009, the group has invested €6 million, without calling on external financing, to acquire businesses running 4-star tourism residences and running Intrawest commercial residences in two alpine resorts: Arc 1950 (655 apartments) and Flaine Montsoleil (138 apartments).

On 12 October 2009, the group signed an undertaking to sell the businesses of 3 Latitudes hotels (Val d'Isère, Arc 1800 and Les Ménuires) to Hotello, a subsidiary of the Algonquin group.

REPORT OF THE STATUTORY AUDITORS ON THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDING 30 SEPTEMBER 2009

Dear Shareholders,

In compliance with the assignment entrusted to us by your General Meeting, we hereby present our report relating to the year ending 30 September 2009, on:

- the audit of the accompanying consolidated financial statements of Pierre et Vacances;
- the justification of our assessments;
- the specific checks required by law.

The consolidated financial statements have been approved by the Board of Directors. We are required 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 the standards of professional practice applicable in France; these standards require that we plan and perform the audit to obtain a reasonable assurance as to whether the consolidated financial statements are free of material mis-statement. An audit consists of checking, by taking samples or through other selection methods, the facts underlying the figures and information provided in the consolidated financial statements. It also consists of assessing the accounting principles applied, the significant estimates made and the overall presentation of the financial statements. We believe that the evidence that we have collected is sufficient and appropriate to form the basis of our opinion.

We hereby certify that the consolidated financial statements for the financial year are, with respect to French accounting rules and principles, correct and sincere and give a true picture of the assets, liabilities, financial position and results of the unit consisting of the people and entities included in the consolidation.

II. Justification of the assessments

In accordance with the provisions of Article L. 823-9 of the French Commercial Code concerning the justification of our assessments, we would like to draw your attention to the following:

Notes 1.11, 1.12, 1.14, 6, 7 and 8 of the annex describe the methods of accounting for and valuing goodwill and tangible and intangible fixed assets.

As part of our assessment of the accounting principles and rules followed by your group, we have verified the consistency of the data and assumptions used, and the appropriateness of the accounting methods applied and the information provided in the appended notes.

The assessments form part of our procedure for auditing the consolidated financial statements, taken as a whole, and as such have contributed to the formation of our opinion expressed in the first part of this report.

III. Specific checks

We have also carried out the specific checks required by law of the information provided in the group Management Report.

We have no observations to make on its sincerity and conformity with the consolidated financial statements.

Paris and Neuilly-sur-Seine, 12 January 2010

The Statutory Auditors

A.A.C.E. ILE DE FRANCE	ERNST & YOUNG et Autres
Patrick Ughetto	Bruno Bizet

2 THE COMPANY PIERRE & VACANCES SA

INFORMATION ON THE COMPANY AND ITS CAPITAL

Information on the company

General information

Company name

Pierre & Vacances.

Registered office

L'ARTOIS – Espace Pont de Flandre – 11 rue de Cambrai – 75947 PARIS Cedex 19.

Telephone number: 01 58 21 58 21.

Legal form

Société Anonyme (public limited company) with a Board of Directors, incorporated under French law and governed by the French Commercial Code and by its by-laws.

Date of incorporation – Duration

The company was incorporated for a duration of 99 years with effect from its registration in the Trade and Companies Register on 7 August 1979, unless dissolved or renewed prior to the end of its legal term.

Purpose of the company (article 2 of the by-laws)

The purpose of the company is to:

- take participating interests in all companies, by the formation of new companies, by the acquisition of shares or equivalent rights via exchanges of shares, subscriptions for shares or purchases of shares, by mergers, alliances, partnerships or any other means, and particularly in all companies active in the following areas:
  - the sale and management of property,
  - the acquisition, development and resale of land, and the building of property,
  - the running in whatever form of 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 help in 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

6420Z.

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

The company documents relating to the last three years (annual financial statements, minutes of the General Meetings, lists of attendance at these General Meetings, list of directors, reports of the Statutory Auditors, etc.) may be consulted at the Pierre & Vacances head office.

In addition, the by-laws of the Company and, where appropriate, 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 & Vacances head office.

Appropriation of earnings (article 20 of the by-laws)

Net income generated during the financial year, after deducting overheads and other charges incurred by the company, including all depreciation, amortisation and provisions, constitutes the net profit (or loss) for the financial year.

Of this net profit, less any losses brought forward, at least one twentieth shall be appropriated in order to build up the statutory reserve required by law. Such transfers must continue for as long as the statutory reserve represents less than one tenth of the total share capital.

The residual balance, plus any earnings brought forward, constitutes the profit available for distribution to shareholders.

The General 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 General Meeting may also decide to make payouts from the reserves available for this purpose. Where this is the case, the resolution must expressly indicate from which reserves the payout is made.

The General 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 by-laws

Double voting rights (Article 16 of the by-laws)

With effect from the Extraordinary General 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 nominee 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 additional paid-in capital, 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.

All shares shall lose double voting rights upon conversion to bearer form or upon transfer of title.

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 transfer as a result of a merger or demerger of a shareholding company.

Identifying shareholders (Article 7 of the by-laws)

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 General 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 by-laws)

In addition to the disclosure thresholds required by law, the company's by-laws stipulate that any individual or corporation that comes to own in any manner, as defined in Article 233-7 of the French Commercial Code, 5% of the capital or any multiple thereof, must inform the company of the total number of shares in its possession, by registered letter with acknowledgement of receipt sent to the registered office of the company within 15 days of any of these thresholds being breached.

In the event of non-compliance with this disclosure requirement and at the request of one or more shareholders owning at least 5% of the capital, the shares exceeding the percentage that should have been disclosed shall be immediately stripped of voting rights for a period of three months from the date when the shareholder rectifies the disclosure omission.

General Meetings of Shareholders (Articles 16, 17 and 18 of the by-laws)

General Meetings of Shareholders shall be held at the registered office of the company or at any other place indicated in the notice of meeting.

Any shareholder is entitled to attend General Meetings of Shareholders in person or by proxy, on proof of their identity and share ownership.

The right to participate in General Meetings of Shareholders 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 three working days before the General Meeting of Shareholders;
- 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 attestation of participation issued by the authorised intermediary three working days before the date of the General Meeting of Shareholders.

Any shareholder shall be entitled to exercise a postal vote using a form that may be obtained under the terms specified in the notice of meeting 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 General Meeting of Shareholders 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 General Meetings

The General Meeting shall be convened by the Board of Directors or, failing this, by the Statutory Auditor, under the conditions provided for by Article R. 225-162 of the French Commercial Code, or by a proxy appointed by the President of the Commercial Court pursuant to a summary ruling given at the request of any interested party in the event of a matter of urgency, or of one or more shareholders representing at least 5% of the share 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 *département* 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 notice of meeting sent by registered post to each shareholder, with the company bearing the cost of the same.

Description of the SITI group

Société d'Investissement Touristique et Immobilier SA – SITI, holding company of the Pierre & Vacances - Center Parcs Group, indirectly controlled by Gérard BREMOND through SCI SITI "R", holds 50.16% of Pierre & Vacances SA. The subgroup Pierre & Vacances constitutes the main asset of SITI SA and is fully consolidated.

Today the investments held by SITI outside Pierre & Vacances SA consist mainly of:

- assets not transferred to Pierre & Vacances SA, prior to its flotation on the stock market in June 1999. These are mainly companies holding land with no administrative permissions (CFICA, Lepeudry & Grimard, La Buffa, etc.) and various non-strategic assets (Sté Téléphérique de la Pointe du Nyon, Dramont Aménagement, etc.);
- companies involved in other business sectors (interests held through GB Développement: Cine-@, Espace TSF, Duc des Lombards, etc.);
- companies bought back during 2004/2005 and 2005/2006 from individual investors, relating to apartments of the Pierre & Vacances villages in Martinique and in Guadeloupe (SNC Société Hôtelière de la Rivière à la Barque, SNC Bougainville, SNC Société Hôtelière de la Plage du Helleux and SNC Filao). These apartments were built and sold by SITI under the aegis of the Pons Act prior to the stock market flotation. These apartments are being resold to individual investors in separation of ownership (sale of the bare property and retention of the usufruct in a Pierre & Vacances - Center Parcs Group company operating these two sites).

History of Pierre & Vacances - Center Parcs Group

1967: Launch of a new tourist resort concept in Avoriaz by Gérard Brémond.

1970 to 1997: The concept takes shape and grows:

- property and tourism expertise applied to other Alpine resorts and seaside resorts;
- acquisition of companies and sites and expansion of the tourist business;
- launch in 1979 of the *"Nouvelle Propriété"* scheme, under which private investors acquire the freehold of an apartment at a reduce cost, as VAT can be recovered and rent is prepaid.

1999 to 2003: The group strengthens its position by making major acquisition:

- 1999: acquisition of Orion Vacances (20 residences) Flotation on the stock market;
- 2000: acquisition of the Dutch Group Gran Dorado: the market leader in short-stay holiday in the Netherlands;
- 2001: three major acquisitions:

  50% stake in Center Parcs Europe (10 villages: 5 in the Netherlands, 2 in France, 2 in Belgium and 1 in Germany),

  Full acquisition of Maeva Group, the second largest tourist operator in France (138 residences and hotels),

  Takeover of the letting management company, ski-lift operator and property management icompany of the Valmorel mountain resort;
- 2002: Acquisition of Residences MGM, an operator specialised in luxury holiday residences (12 residences);
- 2003: The group becomes the sole owner of Center Parcs Europe.

2004 to 2005: The group is now the leader in all segments of the holiday residence market and has embarked upon a new stage in its growth strategy:

- 2004: Center Parcs Europe acquires the holiday village "Butjadinger Küste" in Tossens in Germany;

  Gestrim partnership: agreement to common development, in Citea, of 2* city residences management;

- 2005: start of construction of the 3rd Center Parcs village in France – Domaine du Lac de l'Ailette;

  Signing of partnership with WWF - France to set up a process of environmental progress;

  Opening of the 1st residence built by Pierre & Vacances - Center Parcs Group in Spain – Bonmont in Catalonia;

  Implementation by the group of a sizeable earnings growth programme, primarily focused on improving performances in the tourism businesses. Continued moves to expand and improve the quality of the tourism portfolio with the property business.

2006: Launch of the 4th Center Parcs project in France, in Moselle-Lorraine.

2007: Pierre & Vacances and Accor signed a partnership to develop a network of city residences in Europe and to become leader on this market under Adagio city aparthotels brand.

Acquisition of Belgian group Sunparks including the property assets and operation of four three/four-star villages similar in concept to Center Parcs, located on the Belgian coast, in the Ardennes in Kempen.

Villages Nature Project: a letter of intent was signed between the State authorities, Euro Disney and Pierre & Vacances, thereby confirming the French state's interest and support for the Villages Nature project in collaboration with local authorities.

Acquisition of Les Sénioriales, a property development company specialised in the construction of residences destined for active elderly people.

Opening of the 3rd Center Parcs in France (Domaine du Lac de l'Ailette).

2008: A letter of intent was signed to build the fifth French Center Parcs village in Roybon, Isère.

Opening of 6 residences under Adagio city aparthotels brand.

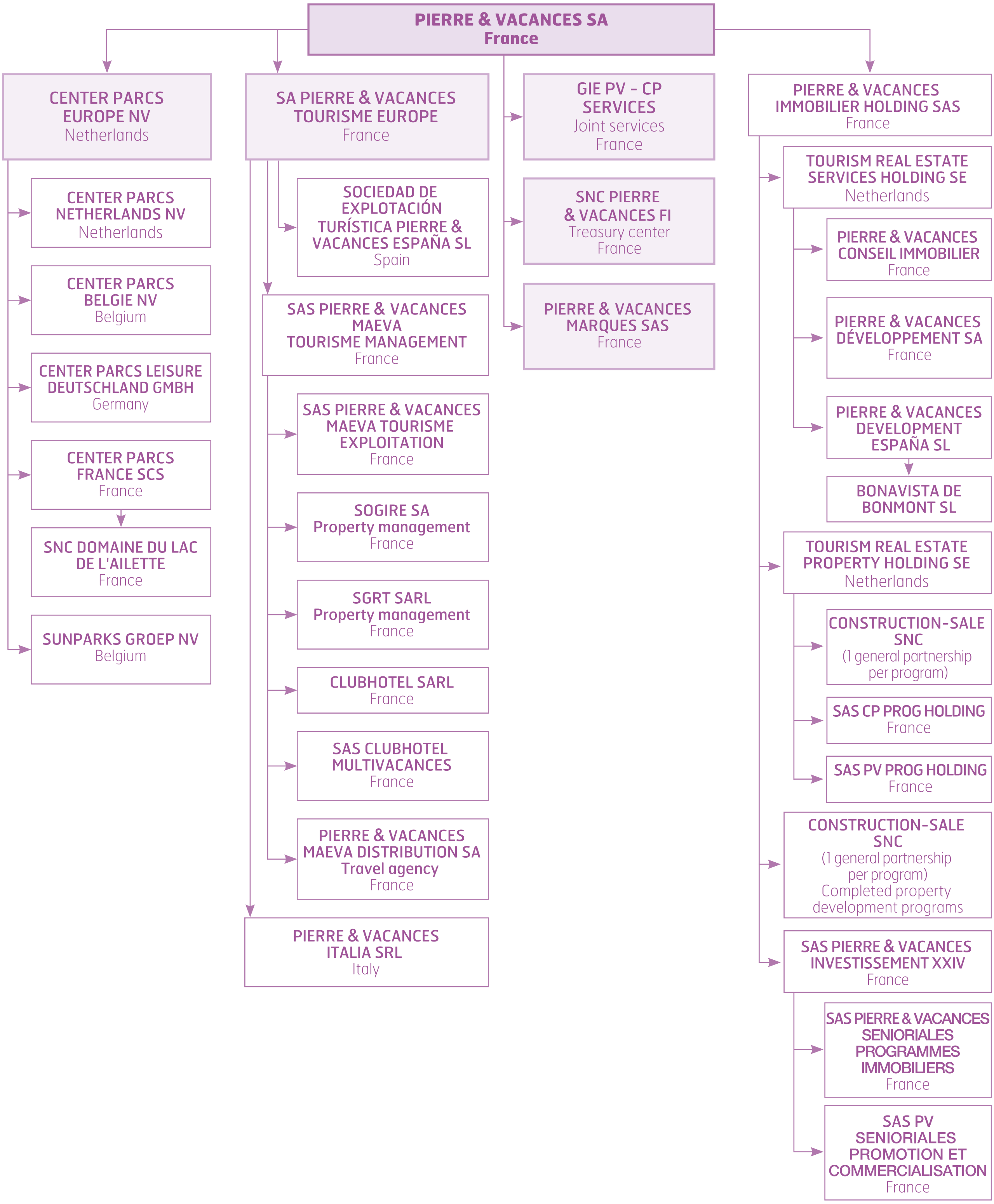
2009: Signature of a strategic partnership with CDG (Caisse de Dépôt de Gestion) of Morocco to develop tourism and property projects in Morocco.

Acquisition of Alpine Intrawest business (Arc 1950 and Flaine Montsoleil).

Disposal of business of 3 Latitudes hotels (Val d'Isère, Arc 1800, Les Menuires).

The legal structure of Pierre & Vacances

Simplified legal organisation chart at 30 September 2009



The companies above are fully consolidated.

Pierre & Vacances SA, the group holding company, listed on Eurolist of Euronext Paris, holds stakes in all the subholdings. It pays the outside fees and charges relating to the l'Artois head office, Paris 19th (particularly the rents) which it bills to the various group entities according to distribution keys, particularly the square footage occupied. Pierre & Vacances SA is required to give bonds or guarantees to banks on behalf of its subsidiaries when setting up corporate finance or financial completion guarantees.

The *joint venture group GIE PV-CP Services (e.g. Pierre & Vacances Services)* provides and invoices for management, administration, accountancy, 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 cash centralising company. It collects the excess 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, Hôtels Latitudes, Résidences MGM, and Multivacances brands. As such it invoices the French Tourism operating entities for brand royalties.

Pierre & Vacances Tourisme Europe, the holding company for tourism activities, controls:

- SAS Pierre & Vacances Maeva Tourisme Management, which controls:
  - SAS Pierre & Vacances Maeva Tourisme Exploitation which operates apartments under agency agreements and leases, and operates and markets its holiday packages under the Pierre & Vacances, Maeva, Résidences MGM and Hôtels Latitudes brands,
  - Sogire SA, the property management company for residences operated by Pierre & Vacances,
  - Pierre & Vacances Maeva Distribution, a travel agency that sells holidays to French customers under the Pierre & Vacances, Maeva, Résidences MGM and Hôtels Latitudes brands. As such, it invoices Pierre & Vacances Maeva Tourisme Exploitation for the marketing fees;
- Pierre & Vacances Italia Srl, which operates and sells apartments in Italy under agency agreements and leases, and operates and sells holiday packages under the Pierre & Vacances brand;
- Sociedad de Explotación Turística Pierre & Vacances España SL which handles the Pierre & Vacances tourism operation in Spain.

Center Parcs Europe NV, a holding company with a 100% stake in the Center Parcs Europe sub-group, which manages 13,186 holiday homes and apartments in the Netherlands, Germany, France and Belgium.

This company performs the central functions of the Center Parcs Europe subgroup which are invoiced 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 France SCS, a subsidiary responsible for the management and marketing of two French villages, Bois Francs and Chaumont;
- SNC Domaine du Lac de l'Ailette, a subsidiary responsible for operating the Domaine du Lac de l'Ailette holiday village in France;
- Center Parcs Holding Belgique, a company managing two villages in Belgium;
- Center Parcs Germany Holding BV manages four villages in Germany through various subsidiaries;
- Sunparks Groep NV which, through various subsidiaries, markets and manages four villages in Belgium.

Pierre & Vacances Immobilier Holding SAS controls:

- PV Sénioriales Promotion et Commercialisation which promotes, constructs and markets residences for retired people;
- *Tourism Real Estate Services Holding SE,* a service sub-holding company which contains all the property services companies:
  - *Pierre & Vacances Conseil Immobilier (PVCI)* which sells to individual investors new or refurbished 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,
  - *Pierre & Vacances Development España SL* which controls the Bonmont programme development company *(Bonavista de Bonmont SL);*
- the company *Tourism Real Estate Property Holding SE,* the programme sub-holding company that controls itself:
  - CP Prog Holding SAS,
  - PV Prog Holding SAS,
  - a number of construction-sale companies.

  The property development operations are in fact housed in dedicated construction-sale SNCs in order to simplify management and set-up of finance. Because the property development operations are for tourism purposes and close links are maintained within the group between the property development and tourism activities, Pierre & Vacances does not open the capital of these construction-sales companies to third parties.

Since 30 April 2008, when the reorganisation of the property development programme division within the Pierre & Vacances -Center Parcs Group came into effect, complex property development programmes have been ascribed to two holdings fully owned by Tourism Real Estate Property Holding SE:

- CP Prog Holding for Center Parcs programmes,
- PV Prog Holding for Pierre & Vacances programmes.

Straightforward programmes are still carried out directly by Tourism Real Estate Property Holding SE.

When the programmes are complete, the shares of the construction-sale companies are transferred to Pierre & Vacances Immobilier Holding SAS which eventually dissolves these companies and provides the ten-year warranty.

Different types of internal billing transactions are carried out between the entities of the tourism division and those of the property development division. These transactions are carried out under normal market conditions.

The construction-sale companies receive rents from the tourism division for the apartments that are not yet sold to investors but operated by tourism entities. Conversely, for refurbishment 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 refurbishment work.

Furthermore, when, as part of the sale of properties to outside investors, the rental commitments accepted by the tourism operating companies are higher than market rents at the time of the sale, the excess rent, called "support funds", is reported as a reduction to the selling price of the property. Therefore, this excess property margin is reported as deferred income and, from the time of delivery, reallocated over the period of the lease to income from tourism activities.

Finally, the tourism operating companies help to manage certain property 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 do work that contributes to the marketing of certain property programmes by actively helping with the selling work done by their teams on the sites. For doing this work, they invoice project management fees and marketing fees to the property development companies concerned.

Summary of parent-child companies – 2008/2009

	Tourism		*Property development*	*Other*	*Pierre & Vacances SA*	*Total*
(in thousands of euros)	*Center Parcs Europe*	*Pierre & Vacances Europe*		*(including cross services)*	*(listed company)*	*Group*
Fixed assets (including goodwill)	473,988	217,344	23,898	14,706	8,138	**738,074**
Gross borrowings	153,096	10,465	30,404	1,103	14,065	**209,133**
Cash on balance sheet	14,088	7,695	33,850	54,147	2,329	**112,109**
Dividends paid to Pierre & Vacances SA for the year	608	-	17,451	4,613	-	**22,672**

Information on the capital

Share capital

As at 31 December 2009, the share capital stands at €88,195,760 divided into 8,819,576 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 effected by transfer between accounts in accordance with the procedure laid down by the law.

Double voting rights are attributed to shares held in nominee form for more than two years. As at 31 December 2009, with double voting rights being granted on 4,443,432 shares, the total number of voting rights stands at 13,263,008 for 8,819,576 shares .

Capital increase taking place during the period as part of a plan to allocate free shares

The Extraordinary General Meeting of 10 March 2005 authorised the Board of Directors to issue shares in the Company in order to allocate them free of charge to corporate officers and/or certain members of the salaried personnel of the Company or of the companies or company combinations related thereto up to 1% of the share capital.

Under this authorisation, 11,035 Pierre & Vacances SA shares to be issued were allocated by the Board of Directors on 9 January 2007, the free allocation of the shares becoming final only after an acquisition period of two years and subject to the beneficiary still being a salaried employee at the end of this period.

The Board of Directors meeting of 12 January 2009 found that, of the 2,207 recipients of free shares allocated by the Board of Directors meeting of 9 January 2007, 1,736 recipients met the conditions laid down in the rules of plan to allocate free shares and could claim final allocation of the 5 shares allocated to each recipient under this plan.

The Board of Directors meeting of 12 February 2009 found that, following a material error in connection with a computer problem, the total number of beneficiaries was in fact 1,733 and the total number of new shares to be issued was therefore 8,665.

Consequently, the Board of Directors:

- decided to increase the share capital of the Company by a nominal amount of €86,650, from €88,109,110 to €88,195,760, by incorporation in the capital of a sum of €86,650 taken from the issue premium through the issuing of 8,665 fully paid-up new shares with a par value of €10 each;
- noted the final completion of this increase in capital and consequently the creation of shares in the Company;
- noted the final free allocation of the said shares to recipients in accordance with the Board decision of 9 January 2007.

Table summarising currently valid authorisations granted to the Board of Directors concerning capital increases

The Extraordinary General Meeting of 12 February 2009 granted the Board of Directors certain authorisations to increase the share capital with the option of delegation to the Chief Executive Officer.

The Board of Directors has not used these authorisations.

A list of the resolutions adopted during the Extraordinary General Meeting and authorising the Board of Directors to increase the share capital is given below.

Resolution No.	*Purpose*	*Duration*
10	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. Resolution No. 21, which is subject to the approval of the shareholders during the Combined General Meeting of 18 February 2010, will supersede this authorisation.	26 months
11	Authorisation to issue shares and/or equities 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 10th resolution. Resolution No. 22, which is subject to the approval of the shareholders during the Combined General Meeting of 18 February 2010, will supersede this authorisation.	26 months
12	Authorisation to increase the number of shares to be issued in the event of a capital increase with or without cancellation of preferential subscription rights, up to the limit of 15% of the initial issue and conditional upon the ceilings set in the 10th and 11th resolutions.	26 months
13	Authorisation to issue shares in the capital or securities giving access to the capital, in return for contributions in kind granted to the Company and consisting of shares or securities giving access to the capital, up to the limit of 10% of the share capital.	26 months
14	Authorisation to make capital increases reserved for members of the group company savings plan and up to the par value of €850,000. Resolution No. 25, which is subject to the approval of the shareholders during the Combined General Meeting of 18 February 2010, will supersede this authorisation.	26 months
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 officers of the Company and/or certain members of salaried personnel of the Company or of companies or groups affiliated thereto(1).	38 months
16	Authorisation to issue ordinary shares in the Company in order to allocate them free of charge to corporate officers and/or certain members of the salaried personnel of the Company or of the companies or company combinations related thereto up to 3% of the share capital(2).	38 months
17	Authorisation to issue share subscription warrants (BSAs) reserved for a category of people, the total par value of the shares that may be issued not being able to exceed €25,000,000.	18 months
18	Authorisation to issue bonds with reimbursable share subscription and/or acquisition warrants (OBSAARs) reserved for a category of beneficiaries, the maximum par value of the capital increases that may be made by virtue of this authorisation not being able to exceed €25,000,000.	18 months

(1) The opening of a share subscription or purchase option plan: the options giving entitlement to subscribe for new shares in the Company or to purchase existing shares in the Company 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 100,000 shares . The options granted by the Board under this authorisation are all options to purchase shares.

(2) The free shares granted by the Board of Directors under this authorisation are existing shares in the Company originating from purchases made by it.

Report on the treasury stock

As part of the share buy-back programme authorised by the General Meeting of 12 February 2009, 6,524 shares (of which 4,279 were part of the AFEI liquidity agreement) were bought at an average price of €44.58 during the year ending 30 September 2009.

Furthermore, during the year ending 30 September 2009, 7,607 shares were sold at an average price of €50.73 as part of the AFEI agreement.

Using the authorisations granted by the General Meeting of 11 March 2004, and by the General Meeting of 10 March 2005, the Board of Directors, on 26 September 2005, instituted a Pierre & Vacances share purchase option plan relating to 28,000 shares for the benefit of group executives with a high level of responsibility. This plan related to 28,000 shares in treasury stock granted as purchase options to eight beneficiaries at €59.89 each. The allocation price of the options reflects the average Pierre & Vacances SA share price during the 20 stock market sessions preceding the launch of the plan, less a discount of 5%. To date, 26,000 options are valid with 2,000 options having been cancelled.

Using the authorisations granted by the General Meeting of 2 March 2006, the Board of Directors, on 21 July 2006, instituted a Pierre & Vacances share purchase option plan relating to 16,500 shares for the benefit of group executives with a high level of responsibility. This plan related to 16,500 shares in treasury stock granted as purchase options to 20 beneficiaries at €80.12 each. The allocation price of the options reflects the average Pierre & Vacances SA share price during the 20 stock market sessions preceding the launch of the plan, less a discount of 5%. To date, 11,500 options are valid with 5,000 options having been cancelled.

Using the authorisations granted by the General Meeting of 2 March 2006, the Board of Directors, on 9 January 2007, instituted a Pierre & Vacances share purchase option plan relating to 46,875 shares for the benefit of group executives with a high level of responsibility. This plan related to 46,875 shares in treasury stock granted as purchase options to 19 beneficiaries at €87.40 each. The allocation price of the options reflects the average Pierre & Vacances SA share price during the 20 stock market sessions preceding the launch of the plan, less a discount of 5%. To date, 46,875 options are still valid.

Using the authorisations granted by the General Meeting of 2 March 2006, the Board of Directors, on 7 January 2008, instituted a Pierre & Vacances share purchase option plan relating to 38,375 shares for the benefit of group executives with a high level of responsibility. This plan related to 38,375 shares in treasury stock granted as purchase options to 10 beneficiaries at €86.10 each. The allocation price of the options reflects the average Pierre & Vacances SA share price during the 20 stock market sessions preceding the launch of the plan, less a discount of 5%. To date, 38,375 options are still valid.

Using the authorisations granted by the General Meeting of 10 March 2005, the Board of Directors, on 7 January 2008, instituted a Pierre & Vacances share purchase option plan relating to 13,010 shares for the benefit of 8 group executives with a high level of responsibility, the free allocation of the shares becoming final only after an acquisition period of two years and the said shares originating from a buy-back carried out by the Company itself.

Using the authorisations granted by the General Meeting of 14 February 2008, the Board of Directors, on 12 January 2009, instituted a Pierre & Vacances share purchase option plan relating to 84,135 shares for the benefit of 54 group executives with a high level of responsibility, the free allocation of the shares becoming final only after an acquisition period of two years and the said shares originating from a buy-back carried out by the Company itself. So far, this plan relates to 75,476 shares , the Board of Directors meeting of 1 December 2009 having found that only some of the performance conditions had been met for the first half of the shares allocated on 12 January 2009.

Using the authorisations granted by the General Meeting of 14 February 2008, the Board of Directors, on 12 January 2009, instituted a Pierre & Vacances share purchase option plan relating to 5,000 shares for the benefit of a group executive with a high level of responsibility. This plan related to 5,000 shares in treasury stock granted as purchase options to a beneficiary at €39.35 each. The allocation price of the options reflects the average Pierre & Vacances SA share price during the 20 stock market sessions preceding the launch of the plan. To date, 5,000 options are still valid.

Using the authorisations granted by the General Meeting of 12 February 2009, the Board of Directors, on 12 February 2009, instituted a Pierre & Vacances share purchase option plan relating to 3,325 shares for the benefit of two group executives with a high level of responsibility, the free allocation of the shares becoming final only after an acquisition period of two years and the said shares originating from a buy-back carried out by the Company itself. So far, this plan relates to 2,879 shares, the Board of Directors meeting of 1 December 2009 having found that only some of the performance conditions had been met for the first half of the shares allocated on 12 February 2009.

Using the authorisations granted by the General Meeting of 12 February 2009, the Board of Directors, on 12 February 2009, instituted a Pierre & Vacances plan to allocate free shares relating to 6,575 shares for the benefit of a group executive with a high level of responsibility, the free allocation of the shares becoming final only after an acquisition period of two years and the said shares originating from a buy-back carried out by the Company itself.

On 30 September 2009, the company held 135,793 shares in treasury stock, of which 3,094 were part of the liquidity agreement and 132,699 were due to the buy-back programme.

The 132,699 shares held under the buy-back programme are allocated to the plans above.

The Company has asked Crédit Agricole Cheuvreux to implement a liquidity agreement according to the Compliance Charter established by the Association Française des Entreprises d'Investissement (AFEI) approved by the AMF (France's financial markets regulator).

Since the authorisation given by the General Meeting of 12 February 2009 authorising a share buy-back programme expires on 12 August 2010, a new authorisation is being put to the General Meeting of 18 February 2010.

Change in share capital over the last five years

Date	*Operations*	*Par value*	*Capital amount*	*Issue premium*	*Total share capital*	*Total number of shares*
11-04	Capital increase following the exercise of stock options on 25/11/2004	10	77,400	40,558	86,609,000	8,660,900
01-05	Capital increase following the exercise of stock options on 04/01/2005	10	429,900	225,268	87,038,900	8,703,890
04-05	Capital increase following the exercise of stock options in March and April 2005 (30 beneficiaries involved)	10	632,080	2,322,816	87,670,980	8,767,098
06-05	Capital increase following the exercise of stock options on 03/05/2005	10	20,000	74,000	87,690,980	8,769,098
12-05	Capital increase following the exercise of stock options on 04/10/2005 and 12/10/2005	10	15,000	39,620	87,705,980	8,770,598
03-06	Capital increase following the exercise of stock options on 07/12/2005, 19/12/2005 and 23/01/2006	10	25,000	44,860	87,730,980	8,773,098
06-06	Capital increase following the exercise of stock options on 06/03/2006, 10/03/2006, 21/03/2006, 18/04/2006, 21/05/2006 and 29/05/2006	10	57,380	242,940	87,788,360	8,778,836
09-06	Capital increase following the exercise of stock options on 29/06/2006, 27/07/2006 and 31/07/2006	10	20,000	74,000	87,808,360	8,780,836
01-07	Capital increase following the exercise of stock options on 05/09/2006, 31/10/2006, 07/11/2006 and 13/12/2006	10	40,000	171,300	87,848,360	8,784,836
05-07	Capital increase following the exercise of stock options on 15/03/2007, 02/04/2007, 23/04/2007, 24/04/2007 and 22/05/2007	10	218,250	747,525	88,066,610	8,806,661
09-07	Capital increase following the exercise of stock options on 06/06/2007 and 18/06/2007	10	42,500	109,610	88,109,110	8,810,911
01-09	Capital increase following the final allocation of free shares noted by the Board meeting of 12 January 2009 and amended by the Board meeting of 12 February 2009	10	86,650	- 86,650	88,195,760	8,819,576

Change in share capital and voting rights during the last three years

Shareholders	Situation at 30 September 2007 Number of shares	% capital	% voting rights	Situation at 30 September 2008 Number of shares	% capital	% voting rights	Situation at 30 September 2009 Number of shares	% capital	% voting rights
SITI	4,411,241	50.06	66.53	4,423,548	50.21	66.66	4,423,548	50.16	66.62
Directors	105	-	-	95	-	-	3,615	0.04	0.03
Shares in treasury stock	83,144	0.94	0.63	151,884	1.72	1.15	135,793	1.54	1.02
Public	4,316,421	48.99	32.84	4,235,384	48.07	32.19	4,256,620	48.26	32.33
of which employees	*30,616*	*0.35*	*0.46*	*27,816*	*0.32*	*0.42*	*46,436*	*0.53*	*0.56*
TOTAL	**8,810,911**	**100**	**100**	**8,810,911**	**100**	**100**	**8,819,576**	**100**	**100**

In its new wording, Article 222-12 of the General Rules of the AMF states that, to calculate participation thresholds, the total number of voting rights is calculated on the basis of all of the shares to which voting rights are attached, including shares stripped of voting rights.

Declaration that a threshold has been exceeded

By letter of 20 July 2009, the company Columbia Wanger Asset Management, L.P., acting on behalf of funds it manages, declared that, on 9 July 2009, it exceeded the 5% company capital threshold and held, on behalf of the said funds, 481,115 Pierre & Vacances shares representing the same number of voting rights, in other words 5.46% of the capital and 3.63% of the voting rights.

Shareholders' agreements

None.

Employee shareholders/group company savings plan (PEE)

The group's PEE, set up with the payment of the employees' profit-sharing entitlement for 1997/1998, has received voluntary payments from employees and the company contribution to subscribe for Pierre & Vacances shares in connection with the stock market flotation and capital increase of March 2002. It also receives voluntary contributions from employees.

Within this PEE, mutual investment funds consisting exclusively of Pierre & Vacances shares, represented 0.31% of the capital on 30 September 2009 (representing 27,771 shares).

Employee profit-sharing

A dispensatory group employee profit-sharing agreement, covering the majority-controlled French entities, distributes the group's special profit-sharing reserve (equalling the total profit-sharing reserves calculated in each company) between all group employees with a contract of employment for more than three months with an entity that has joined this agreement. The special profit-sharing reserve for the group profit-sharing agreement stands at €500,000 for 2008/2009.

For previous years, the amounts paid for group profit-sharing were:

For 2007/2008	€869,000
For 2006/2007	€18,687
For 2005/2006	€555,446
For 2004/2005	€245,759

Policy of dividend payments over the past five years – the time limit for dividend claims

Over the past five years, Pierre & Vacances SA has made the following dividend payments:

Year for which the dividend was paid	*Number of shares*[1]	*Par value*	*Net dividend*
2003/2004	8,653,160	€10	€1.80
2004/2005	8,723,020	€10	€1.50
2005/2006	8,706,207	€10	€2.50
2006/2007	8,712,863	€10	€2.70
2007/2008	8,683,682	€10	€2.70

(1) Number of shares eligible for dividends for the year.

Generally, dividends represent between 25 and 30% of the group's net current attributable income. This policy may however be reviewed in line with the group's financial situation and its expected financial requirements. Thus, no guarantee can be given as to dividend payments for a given year. Unclaimed dividends are transferred to the State five years after they become payable.

The General Meeting of 18 February 2010 will be asked to approve a dividend of €1.50 per share, or 40.20% of the net current attributable income for 2008/2009.

Financial instrument pledges granted involving Pierre & Vacances SA shares

Name of shareholder recorded on the purely nominee account	*Beneficiary*	*Start date*	*Maturity date*	*Number of shares pledged*
SITI SA	CALYON	30 July 2007	30 July 2012	642,074 or 7.28% of the issuer's share capital

Ownership of shares and voting rights

On 31 December 2009, the estimated shareholder structure of Pierre & Vacances is as follows:

	Number of shares	*% capital*	*Value of stake (in thousands of euros)*	*Number of voting rights*	*% of voting rights*
SITI[(1)]	4,423,548	50.16	251,656	8,838,529	66.64
Directors	3,615	0.04	206	3,690	0.03
Shares in treasury stock	137,078	1.55	7,798	137,078	1.03
of which shares acquired in the buy-back programme	132,699				
of which shares acquired in the liquidity agreement	4,379				
Public[(2)]	4,255,335	48.25	242,086	4,283,711	32.30
TOTAL	**8,819,576**	**100**	**501,746**	**13,263,008**	**100**

(1) 81.52% of SITI SA is directly owned by SCI SITI "R", 90% of the latter being owned by Gérard Brémond.
(2) Of which employees (46,436 shares or 0,53% of the capital) and of which Columbia Wanger Asset Management, L.P. 481,115 shares according to the declaration made on 20/07/2009, or 5.46% of the capital.

The company has taken a number of measures to prevent the control exerted by SITI SA from being abusive (see the Chairman's report on the organisation of the Board and internal control procedures in the financial report).

To the Company's knowledge, no shareholder owns more than 5% of the capital or voting rights (other than those specified above).

In accordance with the provisions of Article L. 233-13 of the French Commercial Code and given the information and notifications received in accordance with Articles L. 233-7 and L. 233-12 of the said Code, it is hereby stated that:

- SITI SA directly holds more than half of the share capital and more than two thirds of the voting rights at General Meetings;
- SCI SITI "R" indirectly holds more than half of the share capital and more than two thirds of the voting rights at General Meetings.

To calculate participation thresholds, the total number of voting rights now being calculated on the basis of all of the shares to which voting rights are attached, including shares stripped of voting rights, SITI SA and SCI SITI "R" are under the threshold of two thirds of the voting rights, while they hold more than two thirds of the voting rights at General Meetings.

Stock market share prices and trading volumes

Pierre & Vacances shares are listed on the Eurolist of Euronext Paris (Compartment B) and are included in the SBF 250, Mid & Small 190, Consumer Services, Next 150, Travel & Leisure and Mid 100 indexes.

Share trading over the last eighteen months:

Period	*Number of shares traded*	*Value (in millions of euros)*	*Adjusted high/low*	
			High	*Low*
July 2008	260,299	15.80	66.00	56.01
August 2008	166,834	10.09	64.00	58.18
September 2008	373,959	20.53	63.49	45.20
October 2008	341,186	13.49	48.59	32.33
November 2008	266,601	8.89	37.20	28.20
December 2008	187,218	6.67	39.74	33.70
January 2009	175,033	7.26	44.90	38.00
February 2009	142,690	6.19	46.80	40.00
March 2009	188,293	7.53	44.50	35.51
April 2009	362,931	16.28	51.20	38.50
May 2009	280,509	14.00	53.69	46.13
June 2009	206,402	9.89	51.75	44.10
July 2009	146,183	7.07	51.48	45.23
August 2009	105,734	5.59	56.62	49.03
September 2009	253,524	14.06	59.89	51.00
October 2009	211,052	12.50	64.40	54.02
November 2009	143,856	8.34	61.00	55.01
December 2009	160,980	9.16	60.81	53.00

(Source: Euronext).

BOARD OF DIRECTORS' REPORT TO THE GENERAL MEETING

Position and activity of the company

Preamble

Pierre & Vacances SA, the group holding company, owns:

- stakes in all the subholdings;
- the lease and the fittings at the administrative premises of the registered office located in the 19th district of Paris (Espace Pont de Flandre).

At 30 September 2009, there are three types of contract binding Pierre & Vacances SA and its subsidiaries:

- an agreement on the invoicing of head office costs (rental expenses, amortisation of fittings and furniture);
- sub-leases within the framework of invoicing for rent;
- rate hedging contracts by which Pierre & Vacances SA takes out at banks, on behalf of its subsidiaries, financial instruments contracted to hedge variable rates on bank loans based in subsidiary accounts.

Significant facts

Significant facts relating to the Pierre & Vacances - Center Parcs Group for which Pierre & Vacances SA is the holding company are described in the group management report.

Change of activity

Turnover in 2008/2009 was €10.7 million comparable to the previous year. It mainly consists of the following:

- €5.6 million in invoicing subsidiary entities for rental costs, in particular for the occupation of premises at the l'Artois head office in the 19th district of Paris;
- €5.1 million for services carried out and invoiced to subsidiaries for the development of their activities.

Business interruption came to €9.5 million. It is the result of costs inherent in the group holding activity. The increased business interruption compared to last year is due primarily to costs related to free shares allocation plans of €2.6 million.

Financial income was €30.6 million compared with €14.1 million the previous year. It mainly consists of the following:

- in terms of revenue:
  - subsidiary dividends worth €22.7 million, including:
  - €17.0 million from PVIH company, subholding of property development businesses,
  - €4.6 million from Pierre & Vacances Marques, which owns all of the group's brands and related intangible elements,
  - €0.6 million from Center Parcs France CSC,
  - €0.5 million from Pierre & Vacances Transaction, a property development subsidiary operating as an estate agent,
  - interest on current accounts or loans with respect to subsidiaries worth €5.2 million, including €4.4 million with respect to Pierre & Vacances FI, a subsidiary responsible for central cash flow management for all subsidiaries in the group;
- in terms of costs:
  - interest on bank loans worth €1.1 million,
  - commission on caution and expenses related to the group financing of €1.8 million,
  - interest on current account of €0.1 million.

Financial income in 2007/2008 mainly breaks down as follows:

- revenue of €7.2 million in subsidiary dividends, includins:
  - €5.2 million from Pierre & Vacances Marques, which owns all of the group's brands and related intangible elements,
  - €1.1 million from Pierre & Vacances Transaction, a property development subsidiary operating as an estate agent,
  - €0.9 million from Pierre & Vacances Tourisme Europe, a subsidiary holding tourism companies;
- interest on current accounts or loans with respect to subsidiaries worth €14.1 million, including €12.4 million with respect to Pierre & Vacances FI;
- interest on bank loans worth €1.7 million;
- allocations to provisions for depreciation of shares and allocation to provisions for contingencies relating to subsidiaries of €4.9 million.

Extraordinary income is -€1.3 million compared to -€1.0 million in 2007/2008.

As parent company, Pierre & Vacances SA enters any tax resulting from the tax consolidation of the group in its financial statements. Corporate income tax booked comes to €9.5 million compared to €10.5 million the previous year. It corresponds to €8.8 million in corporate income tax passed on by subsidiaries of the tax group.

As a result, net income for the year amounts to €29.3 million compared to €19.2 million the previous year.

Change in the structure of the balance sheet

The balance sheet total is €644.1 million compared to €622.8 million at 30 September 2008, an increase of €21.3 million. This increase is mainly due to the increase in current assets. This one come to €230.1 million vs. €206.7 million at 30 September 2008. This change is mainly due to the increase of €22.4 million in item Other receivables, mainly composed by currents accounts with respect to group subsidiaries.

The net book value of the main shares come to €385.5 million and is thus broken down as follow at 30 September 2009 (in millions of euros):

• Center Parcs Europe NV	143.9
• Pierre & Vacances Tourisme Europe SA	103.0
• Pierre & Vacances Immobilier Holding SAS	68.8
• Pierre & Vacances Marques SAS	60.7

The shareholders' equity of Pierre & Vacances SA increase by €5.0 million to €593.5 million at 30 September 2009.

This change is broken down as follows (in millions of euros):

• Distribution of dividends	-23.4
• Net income for the year	29.3
• Retained earnings: provision for charges related to free shares allocation plans	-0,9

Share capital at 30 September 2009 is €88,195,760 and is divided into 8,819,576 fully paid-up ordinary shares with a par value of €10 each.

Provisions for contingencies and charges at 30 September 2009 are €4.4 million.

They are broken down as follows (in millions of euros):

• Provisions charges related to free shares allocation plans	3.0
• Provisions for legal and miscellaneous contingencies	1.0
• Provisions for financial contingencies relating to subsidiaries	0.4

Bank loans showed a balance of €10.7 million at 30 September 2009 after taking into account repayment of €4.2 million during the year.

This balance corresponds to the capital still due on the debt relating to loans taken out during external growth operations (purchase of the additional 50% of Center Parcs Europe and acquisition of Gran Dorado in September 2004).

The final maturity is set for 26 March 2012. The provisional plan for amortising this debt over the five years is by the straight-line method and corresponds to an annual repayment of the principal of €4.2 million.

This loan is at a variable rate (6-month Euribor + margin). Hedging instruments have been contracted by Pierre & Vacances SA in order to cover the interest rate risk associated with this loan. On 30 September 2009, the whole loan is hedged.

In order to manage the risk associated with interest rate fluctuations, Pierre & Vacances SA is taking out rate hedging contracts for the entire group. Under this framework, Pierre & Vacances SA invoices companies affiliated to the group that have directly taken out bank loans for any losses and profits associated with the hedging of loans carried out on behalf of these companies pro rata on the basis of their liabilities. Thus, several swap contracts have been entered into by Pierre & Vacances SA to hedge variable rate loans taken out for the purposes of financing the group's external growth.

Significant events that have occurred since the year-end

No significant events have occurred since the year-end.

Future prospects

In 2009/2010, Pierre & Vacances SA will continue to act as the holding company of the group under conditions equivalent to those in the year ended.

Subsidiaries and equity investments

In addition to the information given in this document, we have described the activity of the subsidiaries and of affiliated companies in the group management report and in the reference document of the Pierre & Vacances – Center Parcs Group.

The table of subsidiaries and equity investments is appended to the balance sheet.

The activities of these main subsidiaries during 2007/2008 are broken down as follows:

- Center Parcs Europe NV

Center Parcs Europe NV is the holding company of the Center Parcs Europe sub-group. The activity of the company corresponds to the invoicing of fees and the invoicing of charges of the company to operating entities of the Center Parcs Europe sub-group.

During 2008/2009, the operating income of Center Parcs Europe NV showed a loss of €2.8 million and its net income, after taking into account €23.3 million in income from subsidiaries, corresponded to a profit of €12.5 million.

- Pierre & Vacances Tourisme Europe SA

The company Pierre & Vacances Tourisme Europe SA continued its activity as a sub-holding company of the Tourism division.

In the year ended 30 September 2009, the loss of the company PVT Europe was €9.5 million.

- Pierre & Vacances Marques SAS

The activity of this company consists of collecting royalties from the granting of rights to use its brands.

In 2008/2009, it renewed its annual licences with the various companies in the group using its brands.

This year, Pierre & Vacances Marques SAS's operating income shows a profit of €7.4 million and net income of €4.9 million.

- Pierre & Vacances FI SNC

In 2008/2009, Pierre & Vacances FI SNC continued its responsibilities for the centralised management of cash flow for the various entities in the Pierre & Vacances – Center Parcs Group.

Following the new usufruct structure set up at 30/09/2008, Pierre & Vacances Financière acquired shares in Center Parcs Holding Belgium BV for €65.8 million from Center Parcs Holding Belgium BV.

Under the framework of simplifying the organization of French and Belgian pole Center Parcs structures conducted during the year, this new usufruct has been transferred to the shares of the following companies:

- acquisition of the usufruct of the company Center Parcs France SAS, on 25/08/2009 for an amount of €37.9 million, following the distribution of an interim dividend by the company Center Parcs Holding Franco-Belgian SNC Pierre & Vacances Financial SNC;
- acquisition of the usufruct of the company Center Parcs Belgium SNC on 30/09/2009, for €18.1 million, following the merger by absorption of the company Center Parcs Holding Franco-Belgian by the company SNC Center Parcs Holding SNC Belgium.

The following information is provided on these subsidiaries and equity investments:

During the past financial year, our Company has made the following investments:

France Guide SAS

As of 15 October 2008, Pierre & Vacances SA subscribed to increase the capital of the Company Guide France SAS, up to 12,827 shares with a par value of €1.

During the year-end, the Company sold the following holdings:

Pierre & Vacances Développement SAS

As of 27 November 2008, Pierre & Vacances SA has sold 100,000 shares of Pierre & Vacances Development SAS (100% of capital) to Pierre & Vacances Promotion Immobilière, with the total price of €1.

Pierre & Vacances Investissement XXXI SAS

As of 7 May 2009, Pierre & Vacances SA has sold 3812 shares of the Pierre & Vacances SAS Investment XXXI to Center Parcs Holding Belgium for €35,820.

Remuneration of executives and members of the Board of Directors

Remuneration paid to officers of the company

The Board of Directors of Pierre & Vacances SA, at its meeting of 2 December 2008, approved the updated version of the "Corporate Governance Code" ("Recommendations on the payment of executive company officers whose shares are traded on a regulated market") presented by MEDEF and AFEP on 6 October 2008. The Board of Directors has undertaken to ensure strict enforcement of these recommendations.

Moreover, in accordance with Article L. 225-37 of the French Commercial Code, the company chose, as its reference code, the corporate governance code for listed companies laying down the corporate governance principles resulting from the consolidation of the AFEP and MEDEF report of October 2003 and their recommendations of January 2007 and October 2008 on the remuneration of executive officers of listed companies.

For the years ending 30 September 2009 and 30 September 2008, no salary (including benefits of any kind) was paid to a company officier directly by companies of the Pierre & Vacances - Center Parcs Group controlled as defined in Article L. 233-16 of the French Commercial Code or by Pierre & Vacances SA. However, Société d'Investissement Touristique et Immobilier (a company controlled by the Chairman, founder and majority shareholder of Pierre & Vacances SA) as a holding company (" société d'animation "), invoiced for fees for the services rendered by Gérard Brémond, Eric Debry, Thierry Hellin and Patricia Damerval. The fees invoiced by SITI are determined on the basis of direct costs (remuneration paid + related employer expenses + other direct costs: travelling expenses, cost of premises and secretarial services) plus a 5% margin calculated according to the time spent by each person in managing the companies of the Pierre & Vacances - Center Parcs Group.

For each of them, the variable bonus relates to the financial performance of the group and the achievement of personal objectives.

The group has not introduced a system of golden hellos and golden handshakes for officers of the company.

There are no additional pension schemes specific to officers of the company. They receive, in accordance with their contract of employment with SITI, an end-of-service lump sum payment calculated on the basis of the rules applicable to all salaried employees.

Summary of remunerations and options and shares allocated to each company executive officer

(in euros)	2008/2009	2007/2008
Gérard Bremond, Chairman and Chief Executive Officer		
Remuneration payable for the period	593,648	593,648
Value of options allocated during the period	-	-
Value of performance shares allocated during the period	-	-
TOTAL	**593,648**	**593,648**
Eric Debry, Deputy Chief Executive Officer		
Remuneration payable for the period	N/A	1,013,315
Value of options allocated during the period	N/A	-
Value of performance shares allocated during the period	N/A	-
TOTAL	**N/A**	**1,013,315**

Eric Debry was the Deputy Chief Executive Officer of Pierre & Vacances SA until 30 september 2008.

Table showing the remuneration of each company officer

(in euros)	Remuneration in 2008/2009		Remuneration in 2007/2008	
	Remuneration payable for the period	paid during the period	Remuneration payable for the period	paid during the period
Gérard Bremond, Chairman and Chief Executive Officer				
Fixed remuneration	500,000	500,000	500,000	500,000
Variable remuneration	90,000	90,000	90,000	90,000
Extraordinary remuneration	-	-	-	-
Attendance fees	-	-	-	-
Benefits in kind	3,648	3,648	3,648	3,648
TOTAL	**593,648**	**593,648**	**593,648**	**593,648**
Eric Debry, Deputy Chief Executive Officer				
Fixed remuneration	N/A	N/A	513,315	513,315
Variable remuneration	N/A	N/A	500,000	950,000
Extraordinary remuneration	N/A	N/A	-	-
Attendance fees	N/A	N/A	-	-
Benefits in kind	N/A	N/A	-	-
TOTAL	**N/A**	**N/A**	**1,013,315**	**1,463,315**
Thierry Hellin, Deputy Chief Executive				
Fixed remuneration	280,000	280,000	250,000	250,000
Variable remuneration	110,000	50,000	80,000	125,000
Extraordinary remuneration	-	30,000	-	30,000
Attendance fees	-	-	-	-
Benefits in kind	6,096	6,096	6,407	6,407
TOTAL	**396,096**	**366,096**	**336,407**	**411,407**
Patricia Damerval, Deputy Chief Executive				
Fixed remuneration	280,000	280,000	254,045	254,045
Variable remuneration	110,000	80,000	80,000	75,000
Extraordinary remuneration	-	30,000		30,000
Attendance fees	-	-	-	-
Benefits in kind	2,138	2,138	2,184	2,184
TOTAL	**392,138**	**392,138**	**336,229**	**361,229**

Eric Debry was the Deputy Chief Executive Officer until 30 September 2008.

The meeting of the Board of Directors held on 6 October 2009 opted to separate the functions of Chairman and Chief Executive Officer as from 16 November 2009. Since 16 November 2009, Gérard Brémond has been Chairman of the Board of Directors and Sven Boinet has been Chief Executive Officer.

Summary of commitments given to executive company officers

Executive company officers	*Employment contract*	*Supplementary pension scheme*	*Compensation or benefits due or liable to be due if functions are discontinued or changed*	*Compensation relating to a non-competition clause*
Gerard Brémond Chairman of the Board of Directors	No	No	No	No

Gérard Brémond has been a director since 3 October 1988, Chairman and Chief Executive Officer since 3 October 1988 and Chairman of the Board of Directors since 16 November 2009. His term of office as director will be up for renewal at the General Meeting of 18 February 2010.

Attendance fees and other remuneration paid to non-executive company officers

(in euros)	**Attendance fees paid in 2008/2009**	*Attendance fees paid in 2007/2008*
Sven Boinet		
Attendance fees	30,000	30,000
Other remuneration	-	-
Olivier Brémond(*)		
Attendance fees	30,000	30,000
Other remuneration	-	-
Ralf Corsten(*)		
Attendance fees	30,000	30,000
Other remuneration	-	-
Michel Dupont		
Attendance fees	-	30,000
Other remuneration	-	-
Marc R. Pasture(*)		
Attendance fees	30,000	30,000
Other remuneration	-	-
Delphine Brémond		
Attendance fees	30,000	-
Other remuneration	-	-
Andries Arij Olijslager(*)		
Attendance fees	30,000	-
Other remuneration	-	-
TOTAL	**180,000**	**150,000**

(*) Messrs O. Brémond, R. Corsten, M. Pasture and A. Olijslager effectively received €22,500 each (less €7,500 deducted at source and paid directly by Pierre & Vacances SA to the French tax authorities).

This table relates to non-executive company officers receiving only attendance fees or other extraordinary remuneration.

Sven Boinet, Chief Executive Officer since 16 November 2009, will not receive any attendance fees for 2009/2010.

Loans and guarantees granted by Pierre & Vacances SA

No loan or guarantee has been granted by Pierre & Vacances SA to the members of the Executive Committee or of the Board of Directors.

Share options and free shares

Allocation policy

The allocation policy followed hitherto by the group identifies:

- occasional allocations to a large number of group executives;
- more regular allocations, in principle on an annual basis, to the holders of key positions in the group;
- exceptional allocations to group employees (executives and non-executives).

This policy is likely to change during future years due to the legislative and regulatory changes in reporting share purchase or subscription options.

The Pierre & Vacances - Center Parcs Group has never allocated "performance shares" because – according to the AFEP-MEDEF corporate governance code – performance shares are free shares allocated to executive company officers who register according to Articles L. 225-197 et seq. of the French Commercial Code and who are subject to additional requirements stipulated in the AFEP-MEDEF Code.

The tables below therefore only relate to allocations of free shares, no recipient being a company executive officer within the meaning of the AFEP-MEDEF Code(1).

The company states, however, that, with it having signed up to the AFEP-MEDEF Corporate Governance Code:

- all free shares plans are subject to performance conditions (with the exception of two);
- free shares allocated to company officers are all subject to performance conditions;
- the company has set up a system for linking employees to the performance of the company (introduction of a dispensatory profit-sharing agreement);
- allocations are made in the same calendar periods.

(1) The executive company officers within the meaning of the AFEP-MEDEF Code are the Chairman of the Board of Directors, the Chief Executive Officer and the Deputy Chief Executive Officer.

Share option plans

History of share subscription option plans

At 31 December 2009, there are 137,217 share subscription options outstanding.

If all the options were exercised, there would be 137,217 new shares to be issued, increasing the total number of shares to 8,956,793.

These new shares would represent an increase of € 8,891,631 in shareholders' equity.

The options in circulation represent 1.53% of the share capital after the increase.

	2000 option plan	*2003 option plan*		*2004 option plan*	*2005 option plan*
Date of General Meeting	17/03/2000	10/03/2003		11/03/2004	11/03/2004
Date of Board Meeting	20/03/2000	11/04/2003	03/11/2003	07/09/2004	26/09/2005
Total number of shares that may be subscribed for at the outset	87,200	25,000	7,150	162,300	1,000
Number of shares that may be subscribed for by the ten company employees awarded the largest number of share options	68,000	25,000	7,150	51,000	1,000
Number of shares that may be subscribed for by members of the Board of Directors (as it currently stands)	1,000	15,000	/	8,000	/
including:					
Thierry Hellin				4,000	
Patricia Damerval		5,000		4,000	
Date from which options may be exercised	21/03/2004	12/04/2007	04/11/2007	08/09/2008	27/09/2009
Strike price(*)	€47	€44	€63.83	€66.09	€59.89
Expiry date	21/03/2010	12/04/2013	04/11/2013	08/09/2014	27/09/2015
Number of shares subscribed for	78,417	20,000	/	/	/
Total number of options cancelled	6,466	/	/	40,550	/
Total number of options remaining at the end of the period	2,317	5,000	7,150	121,750	1,000

(*) The subscription price corresponds to the average price quoted during the twenty stock market sessions preceding the allocation decision with a 5% discount on the parity rate.

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
Date of General Meeting	11/03/2004 and 10/03/2005	02/03/2006	02/03/2006	02/03/2006	14/02/2008
Date of Board Meeting	26/09/2005	21/07/2006	09/01/2007	07/01/2008	12/01/2009
Total number of shares that may be purchased at the outset	28,000	16,500	46,875	38,375	5,000
Number of shares that may be purchased by the ten company employees awarded the largest number of share options	28,000	16,500	45,375	38,375	5,000
Number of shares that may be purchased by members of the Board of Directors (as it currently stands)	8,000	/	8,000	8,000	/
Including:					
Thierry Hellin	4,000		4,000	4,000	
Patricia Damerval	4,000		4,000	4,000	
Date from which options may be exercised	27/09/2009	22/07/2010	10/01/2011	08/01/2012	13/01/2013
Purchase price	€59.89(*)	€80.12(*)	€87.40(*)	€86.10(*)	€39.35(**)
Expiry date	27/09/2015	22/07/2016	10/01/2017	08/01/2018	13/01/2019
Terms for the exercising of options					
Number of shares purchased	/	/	/	/	/
Total number of share purchase options cancelled or lapsed	2,000	5,000	/	/	/
Total number of options remaining at the end of the period	26,000	11,500	46,875	38,375	5,000

(*) The purchase price corresponds to the average price quoted during the twenty stock market sessions preceding the allocation decision with a 5% discount on the parity rate.

(**) The purchase price corresponds to the average price quoted during the twenty stock market sessions preceding the allocation decision without a discount on the parity rate.

Share subscription or purchase options allocated during the period to each company officer by the Company itself and by any affiliated company

None.

Share subscription or purchase options exercised during the period by each company officer

None.

Share subscription or purchase options granted to the top ten receiving employees who are not officers and options exercised by the latter

	Total number of shares	*Weighted average price*	*Plan date*
Options granted, during the period, to the ten employees thereby receiving the most options (overall information)	5,000	€39.35	12/01/2009
Options exercised, during the period, by the ten employees thereby purchasing or subscribing for the most options (overall information)	-	-	-

Free shares

History of free share plans

	2007 plan	2007 plan	2008 plan	2009 plan	2009 plan	2009 plan
Date of General Meeting	10/03/2005	10/03/2005	10/03/2005	14/02/2008	12/02/2009	12/02/2009
Date of Board Meeting	09/01/2007	09/01/2007	07/01/2008	12/01/2009	12/02/2009	12/02/2009
Total number of recipients	2,207	9	8	57	2	1
Total number of shares allocated at the outset	11,035	16,010	13,010	84,135	3,325	6,575
Total number of shares allocated to members of the Board of Directors (as it currently stands)	10	3,000	3,000	10,000	/	/
Including:						
Thierry Hellin	5	1,500	1,500	5,000		
Patricia Damerval	5	1,500	1,500	5,000		
Starting date of the acquisition period	09/01/2007	09/01/2007	07/01/2008	12/01/2009	12/02/2009	12/02/2009
Starting date of the retention period	10/01/2009	10/01/2009	08/01/2010	13/01/2011	13/02/2011	13/02/2011
Duration of the retention period	2 years	2 years	2 years	2 years	2 years	2 years
Conditions and criteria of allocation	Attendance conditions	Attendance and performance conditions	Attendance and performance conditions	Attendance and performance conditions	Attendance and performance conditions	Attendance conditions
Source of the shares to be allocated	Shares to be issued	Treasury stock	Treasury stock	Treasury stock	Treasury stock	Treasury stock
Number of shares cancelled	2,370	/	/	8,743(*)	446(*)	/
Number of shares finally allocated	8,665	16,010	/	/	/	/
Potential dilution resulting from the final allocation of shares	8,665	None, the free shares granted being existing shares				

(*) *The Board of Directors which met on 1 December 2009 found that only some of the performance conditions had been met for the first half of the shares allocated on 12 January 2009 and 12 February 2009.*

Free shares allocated during 2008/2009 to each company officer

Name of the company officer	*Plan number and date*	*Number of shares allocated during the period*	*Value of the shares according to the method used for the consolidated accounts*	*Acquisition date*	*Date available*
Thierry Hellin	Plan No. 4 of 12/01/2009	5,000		12/01/2011	13/01/2013
Patricia Damerval	Plan No. 4 of 12/01/2009	5,000		12/01/2011	13/01/2013
TOTAL					

Free shares becoming available during 2008/2009 for each company officer

None.

Free shares allocated during 2008/2009 to the top ten employees who are not company officers (general information)

60,331.

Other details

Summary of company share transactions

The summary of trading in the Company's shares, as specified in Article L. 621-18-2 of the Monetary and Financial Code[1], during the last year:

Person concerned	*Type of transaction*	*Number of shares*	*Transaction date*
Andries Arij Olijslager	Purchase	500	07/10/2008

Other shares giving access to the capital

None.

(1) *Trades made in the Company's shares by the executives, similar persons and their families.*

FINANCIAL STATEMENTS OF PIERRE & VACANCES SA

Profit and loss account

(in thousands of euros)	*Notes*	2008/2009	2007/2008	2006/2007
Sales of services carried out		10,668	11,143	9,200
Net turnover		**10,668**	**11,143**	**9,200**
Amortisation writebacks – provisions, cost transfer		10,771	8,263	7,702
Other earnings		193	20	174
Operating earnings		**21,632**	**19,426**	**17,076**
Other external costs and purchases		24,236	20,722	18,453
Tax and related payments		512	510	679
Wages and salaries		-	-	27
Social security expenses		791	701	645
Amortisation of fixed assets		1,782	1,600	1,484
Provisions for current assets		-	17	-
Provisions for contingencies and charges		2,759	220	-
Other costs		1,084	168	154
Operating expenses		**31,164**	**23,938**	**21,442**
OPERATING INCOME	12	**-9,532**	**-4,512**	**-4,366**
Financial earnings from shareholdings		22,672	7,165	59,306
Earnings from other securities and loans on fixed assets		137	145	161
Other interest and related earnings		5,180	14,099	9,470
Writeback on provisions and cost transfers		5,757	-	-
Net earnings on transfers of short-term investments		16	6	60
Financial earnings		**33,762**	**21,415**	**68,997**
Financial allocation to amortisation and provisions		-	4,863	3,153
Interest and related charges		3,053	1,727	1,714
Net expenses on transfers of short-term investments		77	97	19
Other financial expenses		-	580	231
Financial expenses		**3,130**	**7,267**	**5,117**
FINANCIAL INCOME	13	**30,632**	**14,148**	**63,880**
CURRENT INCOME BEFORE TAX		**21,101**	**9,636**	**59,514**

	Notes	2008/2009	2007/2008	2006/2007
Extraordinary earnings on management transactions		-	-	169
Extraordinary earnings on capital transactions		36	1,044	3,089
Writeback on provisions and cost transfers		42	-	-
Extraordinary earnings		**78**	**1,044**	**3,258**
Extraordinary expenses on management transactions		110	-	39
Extraordinary expenses on capital transactions		1,098	2,024	2,665
Extraordinary allocation to amortisation, depreciation and provisions		197	-	350
Extraordinary expenses		**1,405**	**2,024**	**3,054**
EXTRAORDINARY INCOME	14	**-1,327**	**-980**	**204**
Corporate income tax	15	-9,519	-10,509	-22,211
TOTAL EARNINGS		**55,472**	**41,885**	**89,331**
TOTAL EXPENSES		**26,180**	**22,720**	**7,402**
PROFIT		**29,293**	**19,165**	**81,929**

Balance sheet

Assets

(in thousands of euros)	*Notes*	*Gross Amount*	*Amort. & prov.*	**Net 30/09/2009**	*Net 30/09/2008*	*Net 30/09/2007*
Intangible fixed assets	**1**	**25,370**	**1,823**	**23,547**	**23,099**	**11,699**
Tangible fixed assets	**1**					
Other tangible fixed assets		7,317	5,673	1,644	2,121	2,712
Tangible fixed assets in progress		-	-	-	2	-
Financial assets						
Other equity investments	1, 2 & 4	384,505	1,054	383,451	383,464	275,399
Loans and other financial assets		4,069	46	4,023	6,192	6,036
FIXED ASSETS		421,261	8,596	412,665	414,878	295,846
Advances, down payments on orders		21	-	21	22	106
Trade receivables and related accounts	4 & 5	7,557	33	7,524	9,203	6,726
Other receivables	3, 4 & 5	209,550	-	209,550	187,159	337,683
Short-term investments	6	9,562	407	9,155	8,340	6,054
Liquid assets	6	1,653	-	1,653	57	60
Prepayments	4 & 10	2,234	-	2,234	1,957	1,878
CURRENT ASSETS		230,577	440	230,137	206,738	352,507
Costs to be spread over a number of years	11	1,303	-	1,303	1,175	1,532
TOTAL ASSETS		**653,141**	**9,036**	**644,105**	**622,791**	**649,885**

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Liabilities

(in thousands of euros)	*Notes*	**30/09/2009**	*30/09/2008*	*30/09/2007*
Share or individual capital		88,196	88,109	88,109
Additional paid-in capital, merger premiums, share premiums, etc.		8,618	8,704	8,651
Statutory reserve		8,811	8,811	8,782
Other reserves		2,308	2,309	2,309
Retained earnings		**456,241**	**461,402**	**403,027**
Income for the year		**29,293**	**19,165**	**81,929**
SHAREHOLDERS' EQUITY	7	593,467	588,500	592,807
Provisions for contingencies		642	570	350
Provisions for charges		3,732	4,428	2,145
PROVISIONS FOR CONTINGENCIES AND CHARGES	2	4,374	4,998	2,495
Bank borrowings				
Bank loans and borrowings	4	10,743	14,961	19,239
Miscellaneous loans and bank borrowings	4 & 8	21,013	703	14,816
Operating debts				
Trade payables and related accounts	4 & 5	8,033	7,661	6,430
Taxes and social security contributions payable	4	917	900	790
Miscellaneous payables				
Borrowings on fixed assets and related accounts	4	22	302	104
Other payables	4 & 9	5,300	4,353	12,597
Equalisation accounts				
Deferred income	4 & 10	236	413	607
BORROWINGS		46,264	29,293	54,583
TOTAL LIABILITIES		**644,105**	**622,791**	**649,885**

Notes to the financial statements

(These notes show figures in thousands of euros)

On the balance sheet before distribution for the period ending 30 September 2009 of which the total in euros is:	644,104,927
And on the profit and loss account for the year generating a profit in euros of:	29,292,709

The period lasts for 12 months, from 1 October 2008 to 30 September 2009.

These annual financial statements were approved by the Board of Directors on 1 December 2009.

Significant events during the period

On 12 January 2009, the Board of Directors decided to increase the company's share capital at a par value of €86,650 by appropriation from the issue premium. The 8,665 new shares thus issued were allocated free of charge to members of the salaried staff (excluding Center Parcs) in accordance with the free share allocation plan decided on by the Board of Directors on 9 January 2007.

The share capital was thus increased from €88,109,110 to €88,195,760 (that is to say 8,819,576 shares of €10 each).

The shares in the company P&V Développement held by PVSA were sold during the period for €1 to P&V Promotion Immobilière as part of its Complete Transfer of Assets and Liabilities. Provisions had been made for the entire acquisition value of these shares of €1,000 thousand.

Over the period, Pierre & Vacances SA received €22,672 thousand in dividends from its following subsidiaries:

- €16,997 thousand from the company PVIH, a sub-holding of the property development business;
- €4,612 thousand from the company PV Marques, a subsidiary having the Pierre & Vacances SA brand and all of the related intangible elements and brands (Pierre & Vacances, Maeva and Multivacances brands);
- €609 thousand from the sub-holding in the activities of the Center Parc division, CP France SCS;

€454 thousand from the company PV Transactions, a property development subsidiary operating as an estate agent.

Operating expenses relating to free shares allocation plans to employees amounted to € 2,583 thousands about the year.

Accounting methods and rules

Accounting principles – The annual financial statements are presented in accordance with the provisions of the 1999 French National Accounting Code (Regulation No. 99-03 of 29 April 1999 of the Accounting Regulation Committee, approved by Order of 22 June 1999).

General accounting conventions have been applied, based on the principle of prudence, in accordance with the following basic assumptions:

- business continuity;
- consistency of accounting methods from one period to the next;
- independence of accounting periods;

and in accordance with professional standards.

The principal methods of valuation relate to the following:

- fixed assets: Intangible and tangible fixed assets are valued at their acquisition cost or at their contribution value or at their construction cost.

With the exception of goodwill, the other intangible fixed assets and tangible fixed assets are amortised using the straight-line method as a function of the following economic lives:

General installations	10 years
Office furniture and equipment	5 to 10 years

The depreciation thus calculated is included in operating income.

- equity investments: shares are valued at their acquisition value or at their contribution value.

  A provision is made for depreciation if this value is greater than the value in use determined at each year-end taking into account the proportion of shareholders' 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 GIE NPPV3 as part of operations to securitize "Propriété Pierre & Vacances" receivables and accrued interest not due relating thereto;
- trade receivables and related accounts: 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, miscellaneous debtors and accrued revenues;
- securitisation operations: Under the "Propriété Pierre & Vacances" sales scheme offered to investors in properties developed and marketed by Pierre & Vacances property development subsidiaries, these buyers do not have to pay out the full purchase costs of the assets. Receivables linked to prepaid rent commitments receive interest. They are repaid each year through rent paid by tourism companies. Pierre & Vacances regularly securitises these receivables arising from property sales under the "Ownership & Holidays" scheme. These refinancing transactions involve transferring the receivables to a banking consortium (GIE) in return for payment of the securitisation proceeds.

  A rental agreement covering these repayments is granted to Pierre & Vacances in connection with these property sales via its tourism subsidiaries. Thus, within the framework of business continuity, the risk that the non-repayment of receivables securitised in the GIE actually falls on Pierre & Vacances is zero. Pierre & Vacances does not own any shares in the capital of the banking consortia (GIEs) and is not involved in their management. Once receivables have been transferred to the banking consortium, Pierre & Vacances no longer receives any benefit in remuneration of the transferred receivables.

  In legal terms, the operation is a conventional subrogation in which the banking consortium is substituted for Pierre & Vacances in terms of its rights, actions and privileges, which means Pierre & Vacances can no longer show the receivables on its balance sheet. Information on total securitised receivables is given in off-balance sheet commitments.

  The securitisation operation can generate, on the date of transfer of the receivables, a net profit linked to the differential between the rate of return on the receivables and the rate of refinancing of the GIE. This profit was previously booked in the period in which securitisation was carried out. For securitisation operations carried out from 1 October 1998 onwards, it is now spread across over the duration of the operations;
- short-term investments: short-term investments are booked at their acquisition cost. They are valued at the lower of their acquisition cost and their market value;
- Pierre & Vacances treasury stock is entered:
  - as assets on the balance sheet in short-term investments, when this treasury stock is explicitly assigned, on acquisition, either to allocate to employees or to stimulate the market under the liquidity agreement,
  - or otherwise in long-term investments.

  Since 1 October 2008, Pierre & Vacances applies 08-17 C.N.C notice du 6 November 2008 and the French Accounting Regulation Committee (CRC) Regulation No. 2008-15 of 4 December 2008, a provision for expenses is booked at the year-end to cover the risk associated with transactions relating to plans for allocating free shares to employees.

  Treasury stock is valued at the average stock market price for the last month preceding the year-end.

  A provision for expense is recorded in the balance sheet to cover the future costs related to operations relating to free shares allocation plans to employees.
- prepayments and deferred income: this item mainly includes current management costs and income;
- costs to be spread over a number of years: these costs correspond to borrowing issue costs;
- inclusion of subsidiary earnings: in accordance with statutory provisions, earnings of subsidiaries in the form of a partnership exempt from corporate income tax are included in the same year.

ADDITIONAL INFORMATION ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

NOTE 1 FIXED ASSETS

Fixed assets	*30/09/2008*	*Acquisitions*	*Disbursements*	**30/09/2009**
Brands, concessions, patents	1,645	128	-	1,773
Goodwill	19,511		42	19,469
Other intangible fixed assets	2,892	183	-	3,075
Intangible fixed assets in progress	242	811	-	1,053
TOTAL INTANGIBLE FIXED ASSETS	**24,290**	**1,122**	**42**	**25,370**
Miscellaneous fixtures	4,160	105	1	4,264
Office equipment & computers, furniture	2,995	79	21	3,053
Tangible fixed assets in progress	2		2	-
TOTAL TANGIBLE FIXED ASSETS	**7,157**	**184**	**24**	**7,317**
Equity investments and related receivables	385,524	20	1,039	384,505
Loans and other financial assets	6,193	216	2,340	4,067
TOTAL FINANCIAL ASSETS	**391,717**	**236**	**3,379**	**388,574**
TOTAL GROSS FIXED ASSETS	**423,164**	**1,542**	**3,445**	**421,261**

Amortisation & provisions	*30/09/2008*	*Increases*	*Reductions*	**30/09/2009**
Brands, concessions, patents	461	306	-	767
Goodwill	42	-	42	-
Other intangible fixed assets	688	367	-	1,055
TOTAL INTANGIBLE FIXED ASSETS	**1,191**	**673**	**42**	**1,822**
Miscellaneous fixtures	2,706	417	-	3,123
Office equipment & computers, furniture	2,328	241	20	2,549
TOTAL TANGIBLE FIXED ASSETS	**5,034**	**658**	**20**	**5,672**
Equity investments and related receivables	2,060	-	1,006	1,054
Loans and other financial assets	-	47	-	47
TOTAL FINANCIAL ASSETS	**2,060**	**47**	**1,006**	**1,101**
TOTAL AMORTISATION & PROVISIONS	**8,285**	**1,378**	**1,068**	**8,595**
TOTAL NET FIXED ASSETS	**414,878**	**164**	**2,377**	**412,665**

The change in net fixed assets over the year (-€2,213 thousand) is mainly down to:

- the reclassification of €1,600 thousand to "Liquid assets" in the form of the future deposit made to Société Générale;
- the increase in fixed assets in progress by €811 thousand relating to investment in computer systems;
- amortisation for the year coming to €1,331 thousand.

Equity investments coming to €384,505 thousand are essentially represented by shares in the following companies:

- Center Parcs Europe: €143,919 thousand;
- P&V Tourisme Europe: €103,010 thousand;
- P&V Holding Immobilier: €68,814 thousand;
- P&V Marques: €60,686 thousand.

NOTE 2 PROVISIONS

	30/09/2008	1st application of CRC2008-15	Increases	Reductions used	Reductions not used	30/09/2009
Provisions for contingencies and charges	4,998	1,305	2,909	4,838	-	4,374
Provisions for depreciation						
Goodwill	42	-	-	42	-	-
Shares	2,060	-	-	1,006	-	1,054
Financial assets	-	-	47	-	-	47
Trade receivables	32	-	-	-	-	32
Treasury stock	2,147	-417	-	1,323	-	407
TOTAL	**9,279**	**888**	**2,956**	**7,209**	**0**	**5,914**

Provisions for contingencies and charges correspond:

- to disputes at €642 thousand;
- to costs of support funds at €344 thousand (provisions relating to property development programmes received as part of the transfer of PVH SAS in 2008);
- to €437 thousand in provisions covering the negative net position of the subsidiary Pierre & Vacances Courtage SARL;
- to €2,951 thousand in provisions for charges on distribution of free share plans. This provision consisted of applying Accounting Regulation Committee regulation No. 2008-15 of 4 December 2008 relating to the booking of purchase option plans and plans for allocating free shares to employees.

Provisions for depreciation of shares relate to the following shares:

- Parthouse SRL at €1,037 thousand;
- Pierre & Vacances Courtage SARL at €8 thousand.

Provisions for depreciation of other assets correspond to:

- trade receivables of €32 thousand (provisions relating to customer accounts for property development programmes received as part of the transfer of PVH SAS carried out the previous year);
- the depreciation of treasury stock of €407 thousand, allowing valuation at the average stock market price for the last month preceding the year-end.

NOTE 3 OTHER RECEIVABLES

	30/09/2009	30/09/2008
CURRENT ACCOUNTS	**204,716**	**178,130**
Pierre & Vacances FI SNC	195,168	173,168
Adagio Holding SAS	6,309	3,534
Pierre & Vacances Maroc	1,860	-
Part House SRL	1,327	1,282
Miscellaneous current account assets	52	146
STATE AND OTHER PUBLIC AUTHORITIES	**2,394**	**5,268**
OTHER RECEIVABLES AND MISCELLANEOUS DEBIT ACCOUNTS	**2,440**	**3,761**
TOTAL	**209,550**	**187,159**

Pierre & Vacances FI, a subsidiary of Pierre & Vacances SA, is responsible for central cash flow management for all subsidiaries in the group.

Receivables from the State correspond, in particular, to the VAT credit and to VAT refunding rights of €1,238 thousand and to receivables from the State worth €1,157 thousand, including a receivable for putting a ceiling on trade value added tax.

The reduction in receivables from the State is essentially connected to the €2,298 thousand reimbursement made during the year of the receivable for carry back.

The item Other receivables includes sums owed to Pierre & Vacances SA by subsidiaries under the balance of Corporate Income Tax in its capacity as head of the Tax Consolidation Group.

NOTE 4 SUMMARY OF MATURITIES OF RECEIVABLES AND BORROWINGS

Receivables	*Amount*	*Payability* less than a year	*Payability* more than a year
Loans	2,746	-	2,746
Other financial assets	1,321	-	1,321
Trade receivables and related accounts	7,557	7,557	-
State and other public authorities	2,394	2,394	-
Group and partners	204,716	204,716	-
Other receivables	2,440	2,440	-
Equalisation accounts	2,234	2,234	-
	223,408	**219,341**	**4,067**

Borrowings	*Amount*	*Payability* less than a year	1 to 5 years	more than 5 years
Loans and borrowings from banks	10,743	4,413	6,330	-
Miscellaneous loans and long-term borrowings	21,013	20,587	426	-
Trade payables and related accounts	8,033	8,033	-	-
Taxes and social security contributions payable	917	917	-	-
Borrowings on fixed assets	22	22	-	-
Other payables	5,300	5,300	-	-
Equalisation accounts	236	236	-	-
	46,264	**39,508**	**6,756**	

Bank loans mainly correspond to the capital still owed on the €21 million loan taken out during 2007/2008 for refinancing the residual liability for the €35 million loan taken out in 2004. The residual liability of the new refinancing at 30 September 2009 is €10,550 thousand including repayments of €4,220 thousand for the period.

This loan is at a variable rate (6-month Euribor + margin). In order to manage the risk associated with interest rate fluctuations, Pierre & Vacances SA is taking out rate hedging contracts for the entire group. Under this framework, Pierre & Vacances SA invoices companies affiliated to the group that have directly taken out bank loans for any losses and profits associated with the hedging of loans carried out on behalf of these companies pro rata on the basis of their liabilities.

Thus, several swap contracts have been entered into by Pierre & Vacances SA to hedge variable rate loans taken out for the purposes of financing the group's external growth. The characteristics of all of these hedging contracts are shown in Note 18 - Off-balance sheet commitments.

None of Pierre & Vacances SA's bank loans are based on its debt rating or that of the Group. Bank loans 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 year-end. 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"*.

With the agreement of the lending banks, certain elements (defined according to French accounting standards) included in the calculation of ratios have been replaced with elements defined according to IFRS standards in order to maintain a consistent method of calculation despite the group's adoption of IFRS standards (ratio levels to be met have not been altered).

Covenants on the "Corporate" debt have been renegotiated during the year with the banks to give the group greater financial leeway. Since 8 April 2009, 2 ratios have been followed:

- ratio 1: Net loan/EBITDA. This ratio has to be below 1.75;
- ratio 2: Net loan restated/EBITDAR. This ratio is identical to the one followed previously but with a definition of the restated net loan (Net loan + rental commitments updated at 6%) that corresponds better to the method used by rating agencies. This ratio has to remain below 5.5.

Margins, on the other hand, were increased from this date to 1.75% (compared to 0.70% beforehand).

One of the two new credit lines, which was agreed for €12 million, is subject to compliance with the following ratios:

- net borrowings/Shareholders' equity. This ratio has to be below 1;
- EBITDAR/Servicing of the debt + rent. This ratio has to be above 1.

These covenants are calculated contractually just once a year, at 30 September 2009.

The Pierre & Vacances - Center Parcs Group fully complied with these ratios as of 30 September 2009.

NOTE 5 ACCRUED REVENUES AND COSTS

Accrued revenues	30/09/2009	*30/09/2008*
Customers	1,918	664
Repayment of Trade Tax	187	187
Interest on Adagio debt	24	34
Interest on MGM debt	14	16
TOTAL	**2,143**	**901**

Accrued costs	30/09/2009	*30/09/2008*
Suppliers	1,447	1,122
Group customer credit notes	-	153
TOTAL	**1,447**	**1,275**

NOTE 6 SHORT-TERM INVESTMENTS AND LIQUID ASSETS

Short-term investments consist of shares in treasury stock. These are valued at €9,453 thousand at 30 September 2009.

During 2008/2009, the Pierre & Vacances - Center Parcs Group bought, in particular, 2,245 of its own shares for a total of €84 thousand recorded as a debit to the treasury stock reserve.

It was also distributed 16,010 Pierre & Vacances SA share to group employees, except Center Parcs.

At 30 September 2009, the group holds:

- 132,699 of its own shares for a total value of €9,297 thousand;
- 3,094 shares acquired to adjust the stock market price for €156 thousand.

Depreciation of treasury stock is booked for the period at €407 thousand in order to value treasury stock at the average stock market price for the last month preceding the year-end.

Pursuant to Regulation No. 2008-15 of 4 December 2008 of the French Accounting Regulation Committee, a €2,951 thousand provision for expenses was booked at the year-end. This provision is intended to cover the risk associated with transactions relating to plans to allocate free shares to employees.

There are €1,653 thousand in **liquid assets** at 30 September 2009, compared to €57 thousand at the end of the previous year.

The increase in liquid assets is the result of the registration of a fixed term deposit on 25 May 2009 for €1,600 thousand.

The sum scheduled for 25 May 2010 can be repaid early.

NOTE 7 CHANGE IN SHAREHOLDERS' EQUITY

	Share capital	*Additional paid-in capital and merger premiums*	*Reserves and retained earnings*	*Income for the year*	*Total*
SHAREHOLDERS' EQUITY AT 30 SEPTEMBER 2007	**88,109**	**8,651**	**414,118**	**81,929**	**592,807**
Contribution by merger	-	52	-	-	52
Dividends	-	-	-	-23,525	-23,525
Statutory reserve	-	-	29	-29	-
Retained earnings	-	-	58,376	-58,376	-
Income for the year	-	-	-	19,165	19,165
SHAREHOLDERS' EQUITY AT 30 SEPTEMBER 2008	**88,109**	**8,703**	**472,523**	**19,165**	**588,499**
Capital increase	87	-87	-	-	-
Dividends	-	-	-	-23,446	-23,446
Statutory reserve	-	-	-	-	-
Retained earnings	-	-	-4,273	4,281	8
1st application of CRC 2008 – 15	-	-	-888	-	-888
Income for the year	-	-	-	29,293	29,293
SHAREHOLDERS' EQUITY AT 30 SEPTEMBER 2009	**88,196**	**8,616**	**467,362**	**29,293**	**593,467**

NOTE 8 MISCELLANEOUS LOANS AND LONG-TERM BORROWINGS

	30/09/2009	30/09/2008
Current accounts	**20,587**	**277**
Société d'Investissement Touristique et Immobilier	20,569	166
Miscellaneous current account liabilities	18	111
Deposits received	**426**	**426**
TOTAL	**21,013**	**703**

At 30 September 2009, Société d'Investissement Touristique et Immobilier (SITI) owns 50.16% of the capital of Pierre & Vacances SA.

The increase in the current account with respect to SITI is mainly down to the distribution of a dividend of €10,210 thousand paid by current account.

NOTE 9 OTHER PAYABLES

	30/09/2009	30/09/2008
GIE NPPV III	1,336	1,182
Payables relating to tax consolidation	3,925	2,940
Miscellaneous payables	39	231
TOTAL	**5,300**	**4,353**

Payables to GIEs correspond to rental maturities relating to securitisation.

Payables relating to tax consolidation are linked to the booking of tax advances resulting from tax consolidation at Pierre & Vacances SA in its capacity as parent company of the tax consolidation group.

NOTE 10 EQUALISATION ACCOUNTS

Assets	30/09/2009	30/09/2008
Rents & rental expenses	1,436	1,513
Miscellaneous	798	444
TOTAL PREPAYMENTS	**2,234**	**1,957**

The item Miscellaneous includes €553 thousand in computer prepayments with respect to licences and maintenance.

Liabilities	30/09/2009	30/09/2008
Margin on securitisation	236	413
TOTAL DEFERRED INCOME	**236**	**413**

The margin on securitisation booked in deferred income corresponds to the spreading over the duration of the operation of net profit generated by operations for the securitisation of receivables arising from sales under the "Propriété Pierre & Vacances" scheme. This margin corresponds to the differential between the rate of return on the receivables and the rate of refinancing.

NOTE 11 COSTS TO BE SPREAD OVER A NUMBER OF YEARS

	30/09/2008	*Increase*	*Reduction*	30/09/2008
Charges and fees on securitisation	152	-	60	92
Commission on loan	1,023	576	388	1,211
TOTAL	**1,175**	**576**	**448**	**1,303**

The increase in Costs to be spread corresponds to banks charges and fees following the renegotiation of the loan for €21,000 thousand. (Cf. Note 4).

NOTE 12 FORMATION OF OPERATING INCOME

	2008/2009	2007/2008
Services	5,120	5,871
Miscellaneous rentals	5,548	5,272
TOTAL TURNOVER	**10,668**	**11,143**
Invoicing of costs and fees	10,772	8,263
Miscellaneous	192	20
TOTAL OPERATING EARNINGS	**21,632**	**19,426**
Rents and charges	-7,026	6,687
Miscellaneous fees	-5,489	4,660
Other external costs and purchases	-14,108	10,754
Amortisation and provisions	-4,541	1,837
TOTAL OPERATING COSTS	**-31,164**	**23,938**
OPERATING INCOME	**-9,532**	**-4,512**

Turnover for the 2008/2009 period mainly consists of:

- €5,120 thousand in invoicing of services carried out at subsidiaries for the development of their activities;
- €5,548 thousand in invoicing subsidiary entities for rental costs for the occupation of premises at the head office of Artois in the 19th district of Paris.

The operating loss is the result of costs inherent in the group holding activity.

Its variation from the previous year is mainly due to €2,583 thousand in costs associated with free share allocation plans.

NOTE 13 FINANCIAL INCOME

	2008/2009	2007/2008
Financial earnings from shareholdings	22,672	7,165
Writeback on provisions and cost transfers	5,757	-
Other interest and related earnings	5,180	14,099
Other financial income	153	151
FINANCIAL EARNINGS	**33,762**	**21,415**
Financial allocation to amortisation and provisions	-	4,863
Interest and related charges	-3,053	1,727
Net expenses on transfers of short-term investments	-77	97
Other financial expenses	-	580
FINANCIAL EXPENSES	**-3,130**	**7,267**
FINANCIAL INCOME	**30,632**	**14,148**

Financial income for the 2008/2009 period is €30,632 thousand. It mainly consists of the following:

- revenue of €22,672 thousand in subsidiary dividends, including:
  - €16,997 thousand from the company PVIH, a sub-holding of the property development business,
  - €4,612 thousand from the company PV Marques, a subsidiary having the Pierre & Vacances SA brand and all of the related intangible elements and brands (Pierre & Vacances, Maeva and Multivacances brands),
  - €609 thousand from the sub-holding in the activities of the Center Parc division, CP France SCS,
  - €454 thousand from the company PV Transactions, a property development subsidiary operating as an estate agent;
- revenue of €4,380 in interest on the Pierre & Vacances Financière SNC current account;
- income of €5,710 thousand corresponding to the amortisation of financial assets, including:
  - €4,387 thousand on shares and risks on corresponding net negative positions,
  - €1,323 thousand on treasury stock;
- a financial cost of €3,130 thousand, including, in particular:
  - interest on bank loans worth €1,061 thousand,
  - charges of €1,009 thousand relating to refinancing operations carried out during the year,
  - €750 thousand in commission and fees on guarantees and interest rate swaps.

Financial income for the 2007/2008 period was €14,148 thousand. It mainly consisted of the following:

- revenue of €7,165 thousand in subsidiary dividends, including:
  - €5,158 thousand from the company PV Marques, a subsidiary having the Pierre & Vacances SA brand and all of the related intangible elements and brands (Pierre & Vacances, Maeva and Multivacances brands),
  - €1,106 thousand from the company PV Transactions, a property development subsidiary operating as an estate agent,
  - €901 thousand from the company PVT Europe, a subsidiary holding tourism companies;
- revenue of €12,415 in interest on the Pierre & Vacances Financière SNC current account;
- costs of €4,863 thousand corresponding to the amortisation of financial assets, including:
  - €2,716 thousand on shares and risks on corresponding net negative positions,
  - €2,147 thousand on treasury stock;
- costs of €968 thousand corresponding to interest on bank loans.

NOTE 14 EXTRAORDINARY INCOME

	2008/2009	2007/2008
Extraordinary income on management transactions	-127	-971
Extraordinary income on capital transactions	-1,045	-9
Extraordinary allocations and writebacks, provisions and cost transfers	-155	-
EXTRAORDINARY INCOME	**-1,327**	**-980**

Extraordinary income on capital transactions generated during 2008/2009 includes the capital loss realised during the sale of Pierre & Vacances Développement shares for €1,000 thousand.

This capital loss was covered by a provision for financial depreciation.

NOTE 15 CORPORATE INCOME TAX

Pierre & Vacances SA formed a tax consolidation group as from 1 October 1996. The following companies are members of this group at 30/09/2009:

- Pierre & Vacances SA
- Pierre & Vacances Tourisme Europe SA
- Pierre & Vacances Maeva Distribution SA
- Sogire SA
- Compagnie Hôtelière Pierre & Vacances SA
- Société de Gestion de Mandats SARL
- Club Hôtel Multivacances SAS
- Pierre & Vacances Transactions SARL
- Pierre & Vacances Développement SA
- Société de Développement de Bourgenay SA
- Pierre & Vacances Conseil Immobilier SA
- Pierre & Vacances Courtage SARL
- Club Univers de France SARL
- Pierre & Vacances Rénovation Tourisme SAS (formerly PVI XVIII SAS)
- Cobim SARL
- Tourisme Rénovation SAS
- Peterhof 2 SARL
- Club Hôtel SARL
- SGRT SARL
- Latitudes Toulouse SNC
- Pierre & Vacances Fi SNC
- Financière Pierre & Vacances I SNC
- Financière Pierre & Vacances II SNC
- Pierre & Vacances Maeva Tourisme Exploitation SAS
- Pierre & Vacances Maeva Tourisme Management SAS
- Pierre & Vacances Investissement XXIV SAS
- Pierre & Vacances Investissement XXXIX
- Pierre & Vacances Investissement XXXX
- Pierre & Vacances Investissement XXXXI
- Pierre & Vacances Investissement XXXXII
- Sénioriales Promotion et Commercialisation SAS
- Pierre & Vacances Immobilier Holding SAS (formerly PVI XXV SAS)
- Paris Côté Seine Développement SAS (formerly PVI XII)
- SICE SNC
- Parking de Val d'Isère la Daille SAS
- Pierre & Vacances Investissement XXVIII SAS
- Orion (formerly PV Investissement XXIX SAS)
- Pierre & Vacances Sénioriales Programmes Immobiliers SAS
- Center Parcs Holding France SAS (which became Pierre & Vacances Investissement XXXI SAS)
- PV Prog Holding (formerly PV Investissement XXXII) SAS
- CP Prog Holding (formerly PV Investissement XXXIII) SAS
- Société d'Exploitation Touristique Pierre et Vacances Guadeloupe (formerly PV Investissement XXXIV SAS)
- Société d'Exploitation Touristique Pierre et Vacances Martinique (formerly PV Investissement XXXV SAS)
- Pierre & Vacances Marques SAS
- Commerces Patrimoine Cap Esterel SNC
- Pierre & Vacances Esterel Développement SAS
- Tourism Real Estate Services Holding SE (permanent French establishment)

Breakdown of the tax charge

Tax passed on by subsidiaries	8,830
Tax proceeds from previous years	690
NET TAX (INCOME)	**9,520**

Each subsidiary in the Consolidation Group books its tax as if it were levied separately. Pierre & Vacances SA, as the parent company in the Tax Consolidation Group, books the tax saving resulting from tax consolidation.

In the absence of tax consolidation, the amount of tax that would have been borne by Pierre & Vacances SA in 2008/2009 would have been zero.

Furthermore, Pierre & Vacances SA underwent a tax inspection for 2003/2004, 2004/2005 and 2005/2006. Based on a detailed analysis of the reassessment notification received at the end of December 2007, the group's legal and tax advisers do not anticipate any financial risk relating to this notification.

This matter is being discussed by the group and the tax authorities, should not have financial consequences for the group.

NOTE 16 INCREASES AND REDUCTIONS IN THE FUTURE TAX DEBT

The tax position at 30 September 2009 of the Consolidation Group of which Pierre & Vacances SA is the head shows a total of €65,318 thousand corresponding to a deficit on the shared tax rate that can be carried forward.

NOTE 17 AFFILIATED UNDERTAKINGS

	Affiliated undertakings	*Undertakings in which the company has a shareholding*
Elements coming under balance sheet items		
Net shareholdings	383,996	500
Trade receivables and related accounts	6,878	265
Other receivables(*)	199,839	6,306
Miscellaneous loans and long-term borrowings(*)	21,013	-
Trade payables and related accounts	3,339	-
Other payables	3,925	-
Elements coming under Profit and loss account		
Financial expenses	160	-
Financial earnings	27,400	-

(*) These items mainly include current accounts.

FINANCIAL COMMITMENTS AND OTHER INFORMATION

NOTE 18 OFF-BALANCE SHEET COMMITMENTS

	30/09/2009	30/09/2008
Guarantees:	**957,975**	**1,110,825**
Rent payment guarantee in leases	711,903	826,448
Guarantee given on behalf of P&V Italia Srl in the acquisition of Résidence de Garden	250	250
Counter-guarantee given to BNP Paribas for the company Starke Objekteinrichtungen GmbH carrying out work for SNC Bois des Harcholins Cottages	1,640	-
Counter-guarantee given to Société Générale for the company Cunin SA carrying out work for SNC Bois des Harcholins Cottages	1,477	-
Guarantee on behalf of SNC Chamonix Loisirs to Sté Cie du Mont Blanc	110	106
Guarantee on behalf of P&V Développement SA to a private individual for the purchase of land in Arles	40	40
First-call guarantee for finance contracted by Center Parcs Europe NV	39,270	54,978
First-call guarantee to Sogefinerg (Ailette financing lease)	187,589	189,830
Guarantee on behalf of SNC Avoriaz – Résidences MGM	594	-
Guarantee on behalf of SNC Paris Bastille	8,955	-
Guarantee on behalf of Senioriales – Lombez	2,112	-
Guarantee on behalf of Senioriales – Jonquières	4,035	-
Guarantee on behalf of SNC Bois des Harcholins Cottages	-	30,524
Guarantee on behalf of the company Nuits & Jours Projections SL	-	8,649
Rent payment guarantee on securitisation transactions:	**2,807**	**4,984**
Payment of rent on GIE NPPV3 T1 securitisation transactions	29	340
Payment of rent on GIE NPPV3 T2 securitisation transactions	683	1,364
Payment of rent on GIE NPPV3 T3 securitisation transactions	2,095	3,280
COMMITMENTS GIVEN	**960,782**	**1,115,809**
Guarantees:	**1,393**	**1,196**
Artois rent guarantee deposit	1,161	952
Artois Bât. rent guarantee deposit 26	72	84
Aubervilliers rent guarantee deposit	160	160
COMMITMENTS RECEIVED	**1,393**	**1,196**
RECIPROCAL COMMITMENTS	**37,125**	**74,925**

Rent payment guarantee in leases

Pierre & Vacances SA has provided a guarantee of €711,903 thousand, broken down as described below:

- to a company outside the group, Green Buyco BV, owner of the land and buildings of 7 Center Parcs Europe villages, for payment of rent by its operating subsidiaries. At 30 September 2009, rental commitments still to be paid over the remaining term of the leases for these 7 villages come to €394.5 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. Rental commitments still to be paid over the remaining term of the lease come to €82.8 million;
- to the owner of the Le Dehon residence in Rome, for payment of rent owed by its operating subsidiary Pierre & Vacances Italia Srl. Rental commitments still to be paid over the remaining term of the lease come to €15.5 million;
- to the owner of the land and buildings of the Center Parcs village of Butjadinger Küste in Tossens, Germany, with Center Parcs Europe NV, for payment of rent owed by its operating subsidiary. Rental commitments still to be paid over the remaining term of the lease come to €20.2 million;
- to the owner Uniqua of the Vienna residence, for payment of rental commitments still to be met over the remaining term of the lease coming to €10.4 million;
- to the owner Spectrum Real Estate GmbH of the Munich residence, for payment of rental commitments still to be met over the remaining term of the lease coming to €9.1 million;
- to the individual owners of the Bonmont residence, for payment of rental commitments still to be met over the remaining term of the lease coming to €9.2 million;
- to the individual owners of the Calédonia residence, for payment of rental commitments still to be met over the remaining term of the lease coming to €3.8 million;
- to the owner Llopuig S.L. of the Tossa Del Mare residence, for payment of rental commitments still to be met over the remaining term of the lease coming to €0.6 million;
- to the owner Diesco De Restauracio S.L. of the Calacristal residence, for payment of rental commitments still to be met over the remaining term of the lease coming to €0.6 million;
- to the owner of the Garden a Rome residence, for payment of rental commitments still to be met over the remaining term of the lease coming to €0.4 million;
- to La Foncière des Murs for payment of rent owed by Sunparks villages and for which the amount still to be paid over the term of the leases comes to €164.6 million.

Within the framework of the first-call guarantees given for the refinancing on 26 March 2007, pledging of the Center Parcs brand and company shares was agreed to guarantee these guarantees. These guarantees correspond to 1.1 times the amount of capital still owing on these loans, that is to say €39.3 million.

First-call guarantee to Sogefinerg (Ailette financing 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 & 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 & Vacances, the Conseil Général de l'Aisne and a finance house 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 rest of the financing is based on the transfer of assets to the finance house in the form of an off-plan sale carried out by an indirect property development subsidiary of Pierre & Vacances, and accompanied by a lease on the facilities. Within the framework of the lease finance agreement for the facilities, Pierre & Vacances SA has granted a first-call guarantee of €187,589 thousand that can be written down over the term of the agreement, that is to say 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 subsidiaries of the group

Within the framework of bridging loans put in place for property development operations, Pierre & Vacances SA has granted guarantees to banks on behalf of subsidiaries of the group for a total sum of €15,696 thousand.

Reciprocal commitments

Reciprocal commitments correspond to hedging variable rate loans (cf. Note 4 - Summary of maturities of receivables and borrowings). The characteristics of all existing agreements at 30 September 2009 are shown in the table below:

Lender rate	*Borrower rate*	**Notional at 30/09/2009 (in thousands of euros)**	*Market value of hedging contracts (in thousands of euros)*	*Start date*	*Maturity date*
6-month Euribor	3.7200%	10,000	-143	26 March 2008	26 March 2010
6-month Euribor	3.6850%	13,125	-173	28 Sept 2009	26 March 2010
6-month Euribor	2.2300%	14,000	-144	28 Sept 2009	26 March 2012
6-month Euribor	1.9500%	-(1)	-30	26 March 2010	27 Sept. 2010
6-month Euribor	2.1400%	-(2)	-40	26 March 2010	26 March 2011
TOTAL		**37,125**	**-530**		

The market value of the hedging instruments is -€530 thousand at 30 September 2009, compared with +€423 thousand at 30 September 2008.

(1) Notional changing according to the following repayment schedule:

Lender rate	*Borrower rate*	*Notional (in thousands of euros)*	*Start date*	*Maturity date*
6-month Euribor	*1.9500%*	*-*	*26 Sept. 2009*	*26 March 2010*
6-month Euribor	*1.9500%*	*7,000*	*26 March 2010*	*27 Sept. 2010*

(2) Notional changing according to the following repayment schedule:

Lender rate	*Borrower rate*	*Notional (in thousands of euros)*	*Start date*	*Maturity date*
6-month Euribor	*2.1400%*	*-*	*26 Sept. 2009*	*26 March 2010*
6-month Euribor	*2.1400%*	*7,000*	*26 March 2010*	*26 Sept. 2010*
6-month Euribor	*2.1400%*	*7,000*	*26 Sept. 2010*	*26 March 2011*

NOTE 19 IDENTITY OF THE PARENT COMPANY CONSOLIDATING THE ACCOUNTS

The accounts of the company are fully consolidated within those of the company SITI SA.

NOTE 20 REMUNERATION ALLOCATED TO ORGANS OF MANAGEMENT

Attendance fees paid to members of the Board of Directors in 2008 for 2008/2009 were €180 thousand compared to €150 thousand for 2007/2008.

For the years ending 30 September 2009 and 30 September 2008, no salary (including benefits in kind) was paid to a company officier directly by Pierre & Vacances SA or by companies of the Pierre & Vacances - Center Parcs Group 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 & Vacances SA) as a holding company (˝ société d'abimatrice ˝), invoiced for fees for the services rendered by Gérard Brémond, Éric Debry, Thierry Hellin and Patricia Damerval. The fees invoiced by SITI are determined on the basis of direct costs (remuneration paid + related employer expenses + other direct costs: travelling expenses, cost of premises and secretarial services) plus a 5% margin calculated according to the time spent by each person in managing the companies of the Pierre & Vacances - Center Parcs Group.

In 2008/2009, all nine members of the Executive Committee received total gross remuneration (including benefits in kind) of €5,984,213, including 2,938,111 for the fixed portion of remuneration and €935,142 for the variable portion (mainly bonuses payable for 2007/2008 paid in the first half of 2008/2009).

The table below shows the total gross remuneration paid to members of the Executive Committee during 2008/2009 and 2007/2008 (in euros):

	Paid in 2008/2009	Paid in 2007/2008
Fixed remuneration(1)	2,938,111	3,323,750
Variable remuneration(2)	935,142	1,945,000
Benefits after leaving office(3)	38,708	52,338
Remuneration in shares(4)	2,072,252	986,663
TOTAL	**5,984,213**	**6,307,751**

(1) Including reinstatement of the benefit in kind involving the availability of a company car.
(2) Paid in the year following the year for which it is granted.
(3) This includes conventional pension payments.
(4) This is the annual charge relating to the allocation of options to subscribe for shares and free shares.

For each of them, the variable bonus relates to the financial performance of the Pierre & Vacances - Center Parcs Group and the achievement of personal objectives.

NOTE 21 LIST OF SUBSIDIARIES AND EQUITY INVESTMENTS

Subsidiaries and equity investments	*Share capital*	*Shareholders' equity other than share capital (excluding income)*	*Share of capital held (%)*	*Gross value of shares held*
Subsidiaries (more than 50% holding):				
Center Parcs Europe NV	36,473	81,946	100.00	143,919
Pierre & Vacances Immobilier Holding SAS	68,814	1,164	100.00	68,814
Pierre & Vacances FI SNC	15	-823	99.00	15
Pierre & Vacances Transactions SARL	38	1,128	99.96	37
La Financière Pierre & Vacances & Cie SNC	15	0	99.02	15
Cobim SARL	76	419	100.00	0
Financière P&V I SNC	15	1	98.36	15
Financière P&V II SNC	15	1	98.36	15
Part-House Srl	99	-67	55.00	1,054
Pierre & Vacances Courtage SARL	8	-577	99.80	8
PVMT Haute Savoie	8	8	100.00	8
Pierre & Vacances Investissement XXVIII SAS	38	-2	100.00	38
Orion	38	-224	95.28	36
Pierre & Vacances Investissement XXXVIII SAS	38	-1	100.00	38
Pierre & Vacances Investissement XXXIX SAS	38	0	100.00	38
Pierre & Vacances Investissement XXXX SAS	38	0	100.00	38
Pierre & Vacances Investissement XXXXI SAS	38	0	100.00	38
Pierre & Vacances Investissement XXXXII SAS	38	0	100.00	38
Pierre & Vacances Investissement XXXXIII SAS	38	0	100.00	38
Pierre & Vacances Maroc SAS	27	-27	99.97	28
Multi-Resorts Holding BV	18	211	100.00	18
Pierre & Vacances South Europe Holding BV	18	0	100.00	18
Pierre & Vacances Tourisme Europe	11,890	25,388	100.00	103,010
Pierre & Vacances Marques SAS	62,061	1,003	97.78	60,686
Subsidiaries (more than 10% holding):				
GIE PV-CP Services	150	2	24.00	36
Adagio Holding SAS	1,000	-69	50.00	500

NOTE 22 SIGNIFICANT EVENTS SINCE THE END OF THE YEAR

There have been no significant events since the end of the year.

Net book value of shares held	Loans and advances granted by the company and not yet repaid	Guarantees given by the company	Turnover excluding tax for the past year	Income for the past year	Dividends received by the company during the year	Comments
143,919	0	888,999	49,906	12,463	0	30/09/2009
68,814	0	0	0	1,241	16,997	30/09/2009
15	195,168	0	0	8,039	0	30/09/2009
37	0	0	0	112	455	30/09/2009
15	0	0	0	0	1	30/09/2009
0	0	0	87	-41	0	30/09/2009
15	0	0	0	0	0	30/09/2009
15	0	0	0	0	0	30/09/2009
17	1,327	0	219	-1	0	30/09/2009
0	0	0	242	132	0	30/09/2009
8	0	0	0	0	0	31/12/2008
38	0	0	0	-1	0	30/09/2009
36	0	0	134	-651	0	30/09/2009
38	0	0	0	-1	0	30/09/2009
38	0	0	0	-1	0	30/09/2009
38	0	0	0	-2	0	30/09/2009
38	0	0	0	-2	0	30/09/2009
38	0	0	0	-1	0	30/09/2009
38	0	0	0	-2	0	30/09/2009
28	1,860	0	76	-1,530	0	30/09/2009
18	0	0	0	571	0	30/09/2009
18	0	0	0	0	0	30/09/2009
103,010	0	0	415	-9,515	0	30/09/2009
60,686	0	0	0	4,933	4,612	30/09/2009
36	0	0	0	0	0	30/09/2009
500	6,306	0	1,429	776	0	31/12/2009

The company's financial income over the last five years

(Articles R. 225-81, R. 225-83 and R. 225-102 of the French Commercial Code)

	Year ending:				
Information type	*2005*	*2006*	*2207*	*2008*	**2009**
I Financial position at the end of the year					
a) Share capital	87,691	87,818	88,109	88,109	88,196
b) Number of shares issued	8,769,098	8,781,836	8,810,911	8,810,911	8,819,576
c) Par value (in euros)	10.00	10.00	10.00	10.00	10.00
II Transactions and income for the year					
a) Turnover excluding tax	7,024	7,084	9,200	11,143	10,668
b) Income before tax, amortisation and provisions	66,760	147,136	64,705	15,045	14,543
c) Corporate income tax	-18,493	-20,126	-22,211	-10,509	-9,520
d) Income after tax, amortisation and provisions	83,851	165,762	81,929	19,165	29,293
e) Total distributed profits	13,154	21,955	23,789	23,813	13,229(*)
III Income per share (in euros)					
a) Income after tax, but before amortisation and provisions	9.72	19.05	9.86	2.90	2.73
b) Income after tax, amortisation and provisions	9.56	18.88	9.30	2.18	3.32
c) Dividend allocated to each share	1.50	2.50	2.70	2.70	1.50
IV Personnel					
a) Number of employees					-
b) Total wage bill		Néant			-
c) Total paid in welfare benefits					-

(*) Distribution of dividends put to the Ordinary General Meeting of 18 February 2010.

REPORT OF THE STATUTORY AUDITORS ON THE ANNUAL FINANCIAL STATEMENTS

YEAR ENDING 30 SEPTEMBER 2009

Dear Shareholders,

In compliance with the assignment entrusted to us by your General Meeting, we hereby present our report relating to the year ending 30 September 2009, on:

- the audit of the accompanying annual financial statements of Pierre et Vacances;
- the justification of our assessments;
- the specific information and checks required by law.

The annual financial statements have been approved by the Board of Directors. We are required 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 the standards of professional practice applicable in France; these standards require that we plan and perform the audit to obtain a reasonable assurance as to whether the annual financial statements are free of material mis-statement. An audit consists of checking, by taking samples or through other selection methods, the facts underlying the figures and information provided in the annual financial statements. It also consists of assessing the accounting principles applied, the significant estimates made and the overall presentation of the financial statements. We believe that the evidence that we have collected is sufficient and appropriate to form the basis of our opinion.

We hereby certify that the annual financial statements, with respect to French accounting rules and principles, are correct and sincere and give a true picture of the result of operations carried out in the year ended and of the financial position and the assets of the company at the end of that year.

II. Justification of the assessments

In accordance with the provisions of Article L. 823-9 of the French Commercial Code concerning the justification of our assessments, we would like to draw your attention to the following:

The "Accounting methods and rules" note set out the accounting methods and rules relating to the valuation of shares. We have verified the appropriateness of the accounting methods described, the correct application thereof and the information relating thereto given in the attached notes.

The assessments thus carried out form part of our procedure for auditing the annual financial statements, taken as a whole, and as such have contributed to the formation of our opinion expressed in the first part of this report.

III. Specific information and checks

We have also carried out the specific checks required by law.

We have no comments to make on:

- the sincerity 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 and its conformity with annual financial statements;
- the sincerity of the information given in the management report relating to remuneration and benefits paid to the corporate officers concerned and to commitments given to them when they take up, retire from or change posts or thereafter.

In accordance with the law, we are satisfied that the various information relating to shareholdings and control and the identity of shareholders has been provided in the management report.

Paris and Neuilly-sur-Seine, 12 January 2010

The Statutory Auditors

A.A.C.E. ÎLE-DE-FRANCE	ERNST & YOUNG et Autres
Patrick Ughetto	Bruno Bizet

SPECIAL REPORT OF THE STATUTORY AUDITORS ON RELATED-PARTY AGREEMENTS

YEAR ENDING 30 SEPTEMBER 2009

Dear Shareholders,

In our capacity as Statutory Auditors for your Company, we hereby submit our report on the related-party agreements.

Agreements authorised during the year:

In accordance with Article L. 225-40 of the French Commercial Code, we have been advised of agreements that were authorised prior to your Board of Directors meeting.

We are not required to ascertain whether any other contractual agreements exist, but to inform you, on the basis of the information provided to us, of the principal terms and conditions of agreements indicated to us, without having to comment as to whether they are beneficial or appropriate. It is your responsibility, under the terms of Article R. 225-31 of the French Commercial Code, to evaluate the benefits of these agreements prior to their approval.

We have carried out the checks that we thought necessary in view of the code of practice of the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) relating to this audit. These checks consisted of verifying that the information provided to us corresponded to the documents from which that information was taken.

Your Board of Directors meeting of 6 October 2008 authorised your Company to transfer to the company PIERRE & VACANCES PROMOTION IMMOBILIERE 100,000 shares in PIERRE & VACANCES DEVELOPPEMENT SAS (in other words all of the capital) for the sum of €1.

Persons to whom this agreement relates: Messrs Gérard BREMOND and Thierry HELLIN.

Your Board of Directors meeting of 2 December 2008 authorised your Company to buy from PIERRE & VACANCES DÉVELOPPEMENT SAS 400 shares in GIE Pierre & Vacances Services for the sum of €6,000.

Person to whom this agreement relates: Mr Gérard BREMOND.

Your Board of Directors meeting of 4 September 2009 authorised your Company to forgive the debt of the Company PIERRE ET VACANCES DÉVELOPPEMENT SA (formerly P.V.P.I.). This agreement, signed on 30 September 2009, relates to a current account of €1,708,190.

Persons to whom this agreement relates: Messrs Gérard BREMOND and Thierry HELLIN.

Agreements approved during previous years that have continued during the year:

Furthermore, in application of Article R. 225-30 of the French Commercial Code, we have been informed that the following agreement, approved during previous years, has continued during the last year:

With SITI – Société d’Investissement Touristique et Immobilier

Sale and lease-back with Zeeland Investments Beheer BV:

SITI has a freely transferable option to buy 100% of RECREATIECENTRUM DE EEMHOF BV, or of the buildings of the Eemhof park (carried by CENTER PARCS DE EEMHOF BV, a company of which RECREATIECENTRUM DE EEMHOF BV is the sole shareholder), that can be exercised within ten years. If the option is exercised, SITI shall acquire 100% of RECREATIECENTRUM DE EEMHOF BV, or the ownership of the buildings of the park, on the 15th anniversary of the sale, or on 30 October 2018, for €70 million.

Furthermore, PIERRE & VACANCES stands surety for the period of the lease, with ZEELAND INVESTMENTS BEHEER BV, for the payment of the rents payable by its operating subsidiary.

Finally, PIERRE & VACANCES guarantees all the obligations of the vendor to the terms of the sale agreement, subscribed to by DN 8 HOLDING BV and in particular all the declarations and guarantees made to the benefit of the buyer.

Paris and Neuilly-sur-Seine, 12 January 2010

The Statutory Auditors

A.A.C.E. Île-de-France	ERNST & YOUNG et Autres
Patrick UGHETTO	Bruno BIZET

3

CORPORATE GOVERNANCE

ADMINISTRATION - MANAGEMENT

Composition of the Board of Directors

Name	*Function*	*Date first appointed*	*Date current term of office ends*[1]	*Main function in the company*	*Main function outside the company*	*Independence criteria*[2]	*Number of shares held in the company*[3]
Gérard BREMOND	Chairman of the Board of Directors	03/10/1988	Until the General Meeting called to vote on the financial statements for the year ending 30/09/2012	Chairman	/	No	10
Sven BOINET	Chief Executive Officer	24/02/2003		Chief Executive Officer	/	No	25
Olivier BREMOND	Director	10/07/1995		/	Company director	No	10
SITI SA, represented by Thierry HELLIN	Director	03/10/2003		Group Deputy Chief Executive	/	No	4,423,548 1,515
Marc R. PASTURE	Director	10/09/1998		/	Founder and Director of TV Gusto	Yes	10
Ralf CORSTEN	Director	11/03/2004		/	Attorney	Yes	10
G.B. DEVELOPPEMENT SAS, represented by Patricia DAMERVAL	Director	10/10/2005		Group Deputy Chief Executive	/	No	10 1,515
Andries Arij OLIJSLAGER	Director	06/10/2008		/	Chairman of the Board of Royal Friesland Foods	No	500
Delphine BREMOND	Director	02/12/2008		/	/	No	10

(1) Put forward at the General Meeting of 18 February 2010.
(2) The criteria used for considering a director to be independent are those from the Bouton Report of September 2002. The situation of each director with respect to the independence criteria was examined by the Board of Directors on the occasion of the self-assessment of its operation.
(3) The minimum number of shares that must be held by the Directors in the Company is 10.

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 senior officers' and directors' duties and their private interests and/or duties.

In addition, to the Company's knowledge, no company officer has:

- been convicted for fraud during the last five years at least;
- been made bankrupt, placed in compulsory administration or liquidation during the last five years at least;
- been charged for an offence and/or had an official public penalty pronounced against him or her by the statutory or regulatory authorities during the last five years at least.

Finally, to the Company's knowledge, no company officer has been barred by a court from serving as a member of an administrative, management or supervisory body of an issuer of stock or from being involved in the management or conduct of the affairs of an issuer of stock during the last five years at least.

As of the date of this Reference Document, no company 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 chose, as its reference code, the corporate governance code for listed companies laying down the corporate governance principles resulting from the consolidation of the AFEP and MEDEF report of October 2003 and their recommendations of January 2007 and October 2008 on the remuneration of executive officers of listed companies.

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 166 to 168 of this Reference Document).

Offices held in other companies in the last five years

Gérard BREMOND, Chairman of the Board of Directors:

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 Société d'Investissement Touristique et Immobilier SA – SITI
- Chairman of G.B. Développement S.A.S
- Director of Vivendi Universal
- Director of Lepeudry et Grimard
- General Manager of the SCI SITI R

Mr Gérard Brémond was:

- until 29 May 2006, director of Holding Green B.V.
- until 30 June 2006, permanent representative of GB Développement SA in Ciné B
- until 27 January 2006, permanent representative of OG Communication in Marathon and Marathon International
- until 23 March 2007, permanent representative of SITI SA in CFICA
- until 30 May 2007, permanent representative of SITI SA in SERL
- until 12 December 2008, permanent representative of SITI SA in Lepeudry et Grimard

Sven BOINET, Chief Executive Officer:

Date of birth: 11/04/1953

Business address: L'Artois – Espace Pont de Flandre – 11 rue de Cambrai – 75947 Paris cedex 19

Mr Sven Boinet is:

- Deputy Chief Executive Officer of Société d'Investissement Touristique et Immobilier SA – SITI
- Director of SHCD (Lucien Barrière Group)
- Director of Dinard Golf SA
- Director of EasyJet plc

Mr Sven Boinet was:

- until 31 October 2009, Chairman of the Board of the Lucien Barrière Group
- until 25 March 2009, director of SEETE (Lucien Barrière Group)
- from 2003 to July 2005, director of Lastminute.com (UK)
- from February 2005 to July 2006, director of Société Française des Papiers Peints
- from 2003 to August 2008, director of Géodis

Olivier BREMOND:

Date of birth: 03/10/1962

Business address: Kisan – 125 Green Street – New York, NY 10012

Mr Olivier Brémond is:

- Director of:
  - Société d'Investissement Touristique et Immobilier SA – SITI
  - Kisan (Iceland)
  - Caoz (Iceland)
  - Kisan INC. (United States)

Mr Olivier Brémond was:

- until 27 January 2006:
  - Chairman of the Board of:
  - Marathon SA
  - Chairman and Chief Executive Officer of:
  - Marathon International SA
  - Cinéa SA
  - Marathon Animation SA
  - General Manager of:
  - O.G. Communication SARL
  - Marathon Méditerranée SARL
  - Marathon GmbH

Marc R. PASTURE:

Date of birth: 19/12/1947

Business address: Wilhelmstrasse 5 AD – 53840 Troisdorf – Germany

Mr Marc Pasture is:

- Member of the Supervisory Board of:
  - Maritim Hotelgesellschaft GmbH (Germany)
  - Dolce Media GmbH (Germany)
  - Société de Production Belge S.A. (Belgium)
- Director of:
  - TV Gusto Medien GmbH (Germany)
  - Deutsche Auslandsgesellschaft (Germany)
- Member of the Consultative Council of:
  - Gerling Versicherungen AG (Germany)
  - Odewald & Compagnie (Germany)
  - Comites GmbH (Germany)

Mr Marc Pasture was:

- until 2007, member of the Supervisory Board of RWE-Harpen AG (Germany)
- until 2007, Director of Jöma Beteiligungsgesellschaft GmbH (Germany)

Ralf CORSTEN:

Date of birth: 21/02/1942

Business address: Seeleitn 23, D 82541 Seeheim – Germany

Mr Ralf Corsten is:

- Chairman of the Supervisory Board of:
  - Steigenberger Hotels AG (Germany)
  - Messe Berlin GmbH (Germany)

Mr Ralf Corsten was:

- until 25 May 2009, Chairman of the Supervisory Board of Messe Berlin GmbH (Germany)
- until 30 June 2006, Director of TUI China Travel Co (China)

Thierry HELLIN, Group Deputy Chief Executive, in charge of the Legal, Human Resources, Risk Management, General Services and Sustainable Development Departments:

Date of birth: 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 Lepeudry et Grimard SA
- Chairman of CFICA S.A.S.
- General Manager of Le Duc des Lombards SARL
- Joint General Manager of Espaces TSF SARL, Médiason SARL and TSF Côte d'Azur SARL

Mr Thierry Hellin was:

- until 23 September 2004, permanent representative of Pierre et Vacances Maeva Distribution on the Board of Pierrebac
- until 12 October 2005, director of SITI SA
- until 23 March 2007, permanent representative of Peterhof SA on the Board of CFICA SA
- until 30 May 2007, Chairman and Chief Executive Officer of SERL. SA
- until 14 March 2008, director of GB Développement SA
- until 15 September 2008, permanent representative of GB Développement S.A.S. on the Board of SITI SA

Patricia DAMERVAL, Group Deputy Chief Executive responsible for Finance:

Date of birth: 28/04/1964

Business address: L'Artois – Espace Pont de Flandre – 11 rue de Cambrai – 75947 Paris cedex 19

Mrs Patricia Damerval is:

- Permanent representative of GB Développement S.A.S. on the Board of SITI SA
- Permanent representative of SITI SA on the Board of Lepeudry et Grimard SA

Mrs Patricia Damerval was:

- until 23 March 2007, permanent representative of Clubhotel Multivacances SA on the Board of CFICA SA
- until 30 May 2007, director of SERL SA
- until 14 March 2008, permanent representative of SITI SA on the Board of GB Développement SA

Andries Arij OLIJSLAGER:

Date of birth: 01/01/1944

Business address: Royal FrieslandCampina, Meppel, Netherlands

Mr Andries Arij OLIJSLAGER is:

- Deputy Chairman of the Supervisory Board of ABNAMRO Holding N.V. and of AVEBE U.A.
- Chairman of the Supervisory Board of Eriks B.V.
- Chairman of the Supervisory Board of Heijmans N.V.

Mr Andries Arij Olijslager was, until 31 December 2008:

- Member of the Supervisory Board of Samas-Groep N.V.

Delphine BREMOND:

Date of birth: 14/07/1966

Business address: /

Mrs Delphine Brémond does not hold any office in any other company.

Directors' interests

Payments made to officers of the parent company and members of the Executive Commitee

Payments made to officers of the parent company are detailed in the pages 121 and following.

Total gross payments made to members of the Executive Commitee are detailed in the notes to the financial statements (Note 20).

Loans and guarantees granted or set up in favour of members of the Board of Directors

No loan or guarantee has been granted by Pierre & Vacances SA to the members of the Executive Commitee or of the Board of Directors.

Interests of the directors in the capital of Pierre & Vacances SA

This information is given on page 115 in the section entitled "Ownership of shares and voting rights", on page 160 "Composition of the Board of Directors" and on pages 125 to 130 "Share options and free allocations of shares".

There is no convention, agreement or partnership between the Company and the members of the Executive Committee or of the Board of Directors concerning a restriction on the sale of their investments after a period of time.

Privileged information – share transactions

Because of the particular knowledge they have of the company, its plans and results, the directors are required to exercise strict vigilance in their transactions involving the company's shares.

When taking up their post, the directors are committed to holding their shares in nominee form throughout their term of office; they are also committed to register in nominee form all shares subsequently acquired.

The directors are more generally committed to strictly observing the recommendations of the AMF (French financial markets regulator) concerning officers of the parent company declaring transactions involving shares in their company.

In order that Pierre & Vacances SA can itself abide by these AMF recommendations, the directors must declare to the AMF and Pierre & Vacances SA the transactions concerning their shares within five days of making them.

The table summarising the Company's share transactions specified in Article L. 621-18-2 of the Monetary and Financial Code[1], carried out during the past year, appears on page 131.

(1) Trades made in the Company's shares by the executives, similar persons and their families.

REPORT OF THE CHAIRMAN ON THE ORGANISATION OF THE BOARD AND INTERNAL CONTROL PROCEDURES

In application of Article L. 225-37 of the French Commercial Code, the Chairman of the Board of Directors hereby reports 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 the preparation of this report, has approved the content thereof in accordance with the provisions of Article L. 225-37 of the French Commercial Code.

Objectives and procedure

The internal control procedures and organisation that follow are intended to identify, prevent and control the risks the group faces. Like any control arrangement, 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 Group Senior Management and the Administration and Finance Department of Center Parcs Europe with the management of internal control procedures and the preparatory work and diligence required in the production of this report. This report covers the group's internal control procedures applied to the activities of the Tourism and Property Development divisions and to its principal subsidiary, Center Parcs Europe. This report was drawn up based on interviews with the heads of the various finance departments, the project management department and the management of Center Parcs Europe, as well as written information (descriptions of organisational structures and procedures, audit plans, etc.) provided by these departments.

Governance – Composition of the Board of Directors – Conditions for the preparation and organisation of the work of the Board of Directors

Choice of reference code

In accordance with Article L. 225-37 of the French Commercial Code, the company states that it has chosen, as its reference code, the corporate governance code for listed companies laying down the corporate governance principles resulting from the consolidation of the AFEP and MEDEF report of October 2003 and their recommendations of January 2007 and October 2008 on the remuneration of executive officers of listed companies.

The company refers to the AFEP-MEDEF code and the recommendations of this code fall within the framework of the corporate governance system of the Pierre & Vacances - Center Parcs Group of which they form part, it being stated that their application has to be tailored to the size and background of the company.

The company complies with all aspects of the AFEP-MEDEF code apart from the following:

- the proportion of independent directors is not one third: this situation, which was noted during the meeting of the Board of Directors on 1 December 2009 that was carrying out self-assessment, is the result of a change in the position of Sven Boinet within the Pierre & Vacances - Center Parcs Group. The Board of Directors is looking into the best balance in terms of its composition;
- the absence of specific committees on the Board of Directors: hitherto, the Pierre & Vacances - Center Parcs Group has always thought that its size meant that these types of committees were unnecessary. Against the background of the entry into force of the law of 17 December 2008, the group is looking at setting up an audit committee. It is also considering setting up a remuneration committee and a strategy committee. These three committees will be set up by the end of the 2009/2010 period;
- the staggering of terms of office of directors: the various cooptations and appointments over the last few years have effectively made it impossible to organise the staggered renewal of terms of office.

Composition and functioning of the Board of Directors

The Board of Directors of Pierre & Vacances SA has nine members, two of whom are considered to be independent based on the criteria laid down in the Bouton report on corporate governance of September 2002, namely:

- not being an employee or company officer, an employee or director of its parent company or of a company included in its consolidation and not having been one in the last five years;
- not being a company officer in which the Company has a direct or indirect seat on the board or in which an employee appointed as such or a company officer (currently or having been one within the last five years) holds a directorship;
- not being a significant customer, supplier, corporate banker or financier of the Company or of its group or of which the Company or its group represents a significant portion of the business;
- not having any close family ties with a company officer;
- not having been an auditor of the Company in the last five years;
- not having been a directv of the Company for more than twelve years.

A table summarising the information provided on the composition of the Board of Directors and a list of the offices held in other companies is given on pages 160 and 161 - 163 of the Reference Document.

Pursuant to the amendments to the by-laws adopted by the Extraordinary Meeting of Shareholders of 11 March 2004, the term of office of Board members has been reduced from six to three years. All the directors having been appointed or coopted or their terms of office having been renewed until the end of the meeting held to approve the financial statements for the period ending 30 September 2009, the renewal of their terms of office for a further period of three years will be put to the General Meeting of 18 February 2010.

The meetings of the Board of Directors are scheduled to take place once a year. This schedule is adjusted and supplemented, if applicable, by additional meetings as and when the directors need to be consulted.

During the year under review, the Board of Directors met seven times, with an overall attendance rate of 87.10%. 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. Background information on agenda items is included with the notice of meeting sent to each director 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 presenting their activities and main results during Board Meetings. 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 are invited to attend and participate in 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 head office or at any other venue as permitted by the by-laws. Pursuant to the provisions of Article L. 225-37, paragraph 3 of the French Commercial Code, directors may also take part in Board meetings using videoconferencing or telecommunication facilities. This option was used on two occasions during the 2008/2009 period. In general, after the Board reviews and approves 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 Rules governing how it functions and the personal conduct of directors. 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's internal rules specify that the Board should carry out an annual appraisal of its performance. The functioning of the Board is governed by the Company's by-laws, some articles of which were amended by the Joint General Meeting of 11 March 2004 and by the Joint General Meeting of 14 February 2008 (reducing directors' mandates from six to three years; prohibiting the appointment of board members 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 videoconferencing or telecommunication facilities) and by Articles L. 225-17 *et seq.* of the French Commercial Code.

In 2009, the Board of Directors carried out self-assessment by sending the directors a detailed questionnaire, the answers to which were analysed and then presented during the meeting of the Board of Directors of 1 December 2009. During that meeting, the directors expressed their satisfaction with the progress made in the functioning of the Board of Directors.

The set of rules of governance that have been put in place by the group makes it possible to ensure – amongst other things – that SITI SA does not abuse its powers of control:

- the Board of Directors of Pierre & Vacances SA includes independent directors;
- the Executive Committee includes managers mostly from the Pierre & Vacances - Center Parcs Group;
- the other committees include operational staff from the Pierre & Vacances - Center Parcs Group ensuring that decisions are shared.

Role of the Board of Directors

The principal role of the Board of Directors is to determine the group's key strategies and to ensure their proper implementation and execution. The Board is briefed at least once a quarter on the activities of the group's tourism and property development divisions, and examines the strategic aims of each activity. It is regularly informed of the group's turnover, the progress of significant investment 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 to their completion. Prior approval is required for operations involving external financing, except in the case of normal property financing transactions that are not backed by guarantees issued by the parent company. In accordance with the provisions of Article L. 225.35 of the French Commercial Code, any guarantee, pledge or security granted by the company must be submitted to the Board of Directors for approval.

During the past year, the Board of Directors met on seven occasions. In addition to the examination of the annual and half-yearly financial statements and the regular examination of the business and the results of the Tourism and Property Development divisions, the main topics discussed concerned the property and development operations (particularly the projects in Morocco and the acquisition of the tourism business of Intrawest Europe and the fixed assets relating thereto), corporate governance (compliance with recommendations relating to remuneration of executive officers presented by MEDEF on 6 October 2008, distribution of directors' attendance fees, self-assessment of the Board of Directors) and allocations of stock options and free shares.

Powers of the General Management

The meeting of the Board of Directors held on 6 October 2009 opted to split the functions of Chairman and Chief Executive Officer as from 16 November 2009.

Since 16 November 2009:

- Mr Gérard Brémond was Chairman of the Board of Directors for the duration of his term of office as a director, that is to say until the end of the meeting approving the financial statements for the year ending 30 September 2009;
- Mr Sven Boinet was Chief Executive Officer for the duration of his term of office as a director, that is to say until the end of the meeting approving the financial statements for the year ending 30 September 2009.

The re-election of Mr Gérard Brémond to his post as Chairman of the Board of Directors and the re-election of Mr Sven Boinet to his post as Chief Executive Officer will therefore be put to the Board of Directors to be held at the end of the General Meeting of 18 February 2010.

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 General 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, Mr Sven Boinet 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. By virtue of the Company's corporate governance structure, no limitations have been placed on the powers of the Chief Executive Officer other than the requirement to exercise these powers within the scope of the Company's purpose and subject to the authority expressly assigned by law to Shareholder Meetings and the Board of Directors.

Other decision-making bodies

Executive Committee

The Executive Committee has nine members (10 members since the arrival on 16 November 2009 of Sven Boinet as Chief Executive Officer). It meets every three months unless more frequent meetings are required. The Executive Committee's role is to bring together the group's principal senior managers to discuss strategic matters that involve all or virtually all of its business activities. Subjects discussed include brand management, product segmentation, the geographical spread of the development zones for the various brands, human resources, consolidated risk management and key financial indicators (profitability, cash flow generation, data consolidation, management control, etc.). The Executive Committee is also in charge of anticipating future changes in the group's businesses, strategic planning and developing internal synergies within the group.

Tourism Committee

The Tourism Committee meets once a month. Committee meetings are chaired by the Chairman and Chief Executive Officer and are attended by the CEO of the tourism business and his principal deputies along with the group Deputy Chief Executive responsible for finance and development. The Committee discusses all matters relating to turnover changes in the Tourism division, makes decisions concerning product and pricing strategy, and deliberates on developments (the acquisition of new apartment buildings, for management under leasing or mandate agreements, etc.). The Committee is responsible for implementing brand management strategies for the Pierre & Vacances Tourisme Europe division (Pierre & Vacances, Maeva, Résidences MGM and Hôtels Latitudes brands).

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 and Chief Executive Officer and CEO of Pierre & Vacances Développement) and Accor (CEO of hotel development and Legal Director).

Property Development Committee

The Property Development Committee meets once a month. Committee meetings are attended by the Chairman and Chief Executive Officer and the CEOs of Pierre & Vacances Développement and Pierre & Vacances Conseil Immobilier. 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.).

Les Senioriales Strategic Committee

The Les Senioriales Strategic Committee meets once a month. Committee meetings are attended by the Chairman and Chief Executive Officer, the CEO of Pierre & Vacances Développement, the Director of development and the CEO of Les Senioriales. It discusses the business and the current projects and authorises the purchase of land.

Development Committee

Formed during 2005/2006, this Committee includes representatives from tourism, property development, development and finance. Its job is to make decisions on development projects.

HoldCo of Center Parcs Europe

HoldCo meets once a month under the management of the Chairman and Chief Executive Officer and, since 16 November 2009, the Chief Executive Officer of the group. It consists of the Group Deputy Chief Executive responsible for finance and development, the Chief Executive Officer of the Tourism Business of the Pierre & Vacances - Center Parcs Group, the Chief Executive Officer, the Deputy Chief Executive and the Development and Innovation Manager of Center Parcs Europe.

It draws up the human resources policy of Center Parcs Europe and decides on any strategic alterations that are required to adapt to a constantly changing environment.

HoldCo discusses the budget and monitors compliance with it throughout the year. It runs the business using key financial indicators monitored in four-week periods: rental turnover, on-site expenditure, profit and loss account, monitoring of the budget, investment budget, cash flow). It manages changes in turnover and takes decisions relating to product and price strategy. It is responsible for implementing the trade mark strategy.

It discusses the latest developments (construction and launch of new villages under the Center Parcs or Sunparks brands, signing of management contracts for Sunparks, agreements with tour operators, etc.).

Board of Management and Supervisory Board of Center Parcs Europe

Center Parcs Europe is a Dutch company with its registered office in Rotterdam and is therefore subject to the corporate governance rules in force in the Netherlands. The company's corporate governance bodies consist of a Board of Management and a Supervisory Board.

The Board of Management had consisted of a single member since September 2007, the Chief Executive Officer of Center Parcs Europe. Since 1 January 2009, it has had two members: the Chief Executive Officer and the Administrative and Financial Director of Center Parcs Europe. The members of the Board of Management meet each week and have a special monthly meeting to discuss developments. It is required to comply with the instructions issued by the Supervisory Board in terms of the company's financial, management and business strategy. The Supervisory Board, comprising five members (two of whom are not executives of the group), is specifically responsible for more closely supervising and more regularly advising the Board of Management. The Supervisory Board oversees the Board of Management and the general conduct of the company's business. It generally meets four times a year.

Center Parcs Europe Executive Committee

This Committee, managed by the Chief Executive Officer of Center Parcs Europe, consists of six members meeting every fortnight. All departments of the company are represented on it, Senior Management, the Sales and Marketing Department, the Operations Department, the Development Department, the Finance Department, the Information Systems Department, the Human Resources Department and the Legal Department. This Committee conducts a full review of business of Center Parcs Europe and of the key questions concerning the interface between the main departments in order to optimise the general day-to-day conduct of business.

Remuneration Committee of Center Parcs Europe NV

This Committee, comprising two members (one of whom is not an executive of the group), meets at least twice a year. Its role is to advise the Supervisory Board on remuneration policy for members of the Board of Management, according to the performance objectives set for Center Parcs Europe.

Special terms relating to the participation of shareholders in General Meetings

Detailed information on special terms relating to the participation of shareholders in General Meetings is given in the company by-laws (Title V – General Meetings) and is also summarised on pages 103 and 104 of this Reference Document.

Remuneration of officers of the company

The Board of Directors of Pierre & Vacances SA, at its meeting of 2 December 2008, approved the updated version of the "Corporate Governance Code" ("Recommendations on the payment of directors of companies whose shares are traded on a regulated market") presented by MEDEF and AFEP on 6 October 2008. The Board of Directors has undertaken to ensure strict enforcement of these recommendations. Officers of the company whose remuneration is detailed in the management report receive fixed and variable remuneration according to their contract of employment with SITI[(1)]. The variable remuneration is determined on the basis of the financial performance of the Pierre & Vacances - Center Parcs Group and the achievement of personal objectives. They can be allocated options to subscribe for or purchase shares and be allocated free shares in accordance with financial performance criteria.

There are no additional pension schemes specific to officers of the company. They receive, in accordance with their contract of employment with SITI, 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 Committee.

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.

Summary of the procedures

Board of Directors

The Board of Directors has a two-fold responsibility:

- **as the corporate body responsible for the group's parent company,** the Board takes decisions that fall outside the remit of the parent company's corporate officers (pledges and guarantees, granting of stock options, approval of parent company and consolidated financial statements, etc.) and grants limited special powers to the corporate officers to execute its decisions;
- **as the group's supervisory body,** the Board is responsible for appointing and supervising the corporate officers of the parent company and indirectly oversees the principal subsidiaries, which report regularly to it on the activities of the tourism and property development businesses, among other matters.

Committees

The various committees (Executive Committee, Tourism Committee, Adagio Development Committee, Property Development Committee, Les Senioriales Strategic Committee, Development Committee) are chaired by the Chairman and Chief Executive Officer of the Pierre & Vacances - Center Parcs Group. Those committees allow the Chairman and Chief Executive Officer 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 notably the case of the operating finance department, consolidation, accounts department that form part of the Deputy Chief Executive's department in charge of Finance and development and the legal department, the insurance and risk management department, the human resources department that form part of the Deputy Chief Executive's Corporate Secretariat and the Purchasing Department. These corporate departments are centralised at the group's head office in Paris and report to the Deputy Chief Executive Officer of the group.

The internal control responsibilities of the corporate departments include:

- verifying that group policies (financial, legal, purchasing, human resources, etc.) are effectively implemented by all subsidiaries and operating divisions of Pierre & Vacances - Center Parcs Group;
- implementing horizontal strategies on behalf of these subsidiaries and operating divisions, with each department applying its respective area of expertise in close collaboration with the

(1) It should be pointed out that neither Gérard Brémond nor Sven Boinet have a contract of employment with SITI or with any of the companies in the Pierre & Vacances - Center Parcs Group.

subsidiaries' own teams and the teams of the said operating divisions (e.g.: covering risks, drafting and reviewing contracts, bookkeeping, drafting collective labour 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 operating divisions 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 framework of entities:** consisting of a horizontal structure in which the holding company wholly owns its legally independent subsidiaries:
  - with their own "business" Chief Executives,
  - supervised by the group Chairman,
  - whose corporate governance bodies, where such exist (depending on the company's legal form), are made up of senior managers from the group who do not hold executive positions within the division 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;
- **a structure that centralises** business support and management control services within group-level corporate departments that oversee Pierre & Vacances Développement, Pierre & Vacances Conseil Immobilier and Pierre & Vacances Maeva Tourisme Exploitation. Center Parcs Europe has its own corporate departments, which work closely with their group-level counterparts.

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 the personal responsibility for his actions.

Risk management

The principal risks, their management and their coverage are outlined in the risk management section of the corporate governance part of the reference document. Owing to the nature of its business, the group mainly monitors risks related to the seasonal nature of its business, construction risk, the risk 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's Legal Department is centralised and reports to the Group's Deputy Chief Executive in charge of Development, Legal Affairs, Human Resources and Sustainable Development in order to coordinate risk management. It takes early action to protect the group's legal commitments and oversees the disputes of all the operating subsidiaries except Center Parcs Europe which has its own Legal Department in Rotterdam. A Risk Manager is responsible for handling insurance at the group level (including Center Parcs Europe) in order to optimise risk management (conservation/externalisation) and oversee the declarations of risks and claims.

Summary of internal control procedures relating to the preparation of financial and accounting information

The essential internal control procedures relating to the preparation of financial and accounting information are overseen by the group Deputy Chief Executive Officer responsible for finance and development. 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's financial position or adversely affect its ability to achieve its corporate objectives.

Organisation of the group's finance departments

The group Deputy Chief Executive Officer in charge of finance and development is responsible for central and operational management functions within a framework of delegated responsibilities for each business. Central corporate functions include holding company services, for example financial communication, consolidation (at the accounting and management control levels), and functions managed on behalf of the group, such as tax (tax consolidation group), treasury (cash pooling agreement) and project management. Management control and accounting tasks are more devolved to the tourism and property development businesses.

The group Deputy Chief Executive Officer responsible for finance and development is directly responsible for the activities of Pierre & Vacances Tourisme Europe and Property Development. For Center Parcs Europe, these functions report to the Chief Financial Officer of Center Parcs Europe (who reports directly to Center Parcs Europe's General Management) and in functional terms to the group

Deputy Chief Executive Officer in charge of finance. This choice of structure reflects Center Parcs Europe's particular situation – its head office is in Rotterdam and it conducts its business mainly in the Netherlands, Germany, France and Belgium.

"Central" Corporate Functions

The group's **financial communication department** supervises the group's external communications 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 divisions, and ensures the overall coherence of financial information disclosures.

The group's **tax department** supervises and coordinates the group's specific tax policies in each of the countries in which the group operates (France, Netherlands, Germany, Belgium, Italy and Spain). It is directly responsible for the tax consolidation group in France. Center Parcs Europe's Administration and Finance Department is responsible for the tax entities located in the Netherlands, Germany and Belgium. The group's tax department advises and assists the operating divisions in all issues relating to tax law.

The group's **treasury 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 cash/debt position between banks, organises invitations to tender on behalf of the group and ensures the consistency of information published on its scope of activity.

The group's **consolidation department** is responsible for preparing, analysing and publishing the consolidated financial statements (financial and management accounts). It formulates financial and management principles and ensures compliance with group accounting procedures. Consolidated accounts are prepared each quarter, enabling a perfect match between data from accounts and from management, thereby providing an additional assurance on the quality and reliability of financial information.

The **organisation and project management department** coordinates large-scale projects involving the finance function. To this end, it acts as an interface with the Information Systems Department for the implementation and maintenance of financial information systems (accounting, purchasing, treasury management, tax return packages, etc.). It is responsible for managing security of access to these systems, safeguarding data integrity (back-up, interfacing, etc.) and advising on large-scale financial projects.

"Operational" Functions

These functions reflect the group's operating structure. The Operational Finance Department and the Accounting Department are organised around the following operating divisions: Tourism, Property Development and Center Parcs Europe.

Pierre & Vacances Tourisme Europe

Pierre & Vacances Tourisme Europe is organised around the Brand Operating Department which deals with the marketing and exploitation of the Pierre & Vacances and Maeva brands. A specific department carries out equivalent functions for the Résidences MGM and Hôtels Latitudes brands. A central Commercial Department manages all direct and indirect distribution, relational marketing and revenue management departments.

The Operational Finance Department is divided into two divisions: the commercial division and the brand exploitation division. The sales management control staff, whose job is mainly to monitor reservations and changes in distribution channels, work closely with the Commercial Department. As for monitoring residence operations, the group chose a decentralised organisation with regional administrative centres that match the breakdown of the operating departments, for the purpose of better communications. The Operational Finance Department staff also provide financial monitoring of the tourism activities in Spain and Italy.

The accounting services department includes four divisions: supplier accounting, customer accounting on sites, bank accounting and financial accounting. The accounting services are organised at two centres. The head office, Paris and Atlantic, Aquitaine and Languedoc regional accounting departments are grouped in Paris. The Alpes, Provence Alpes Côte d'Azur and Antilles regions are monitored in Cannes.

The owner financial management service, divided into three departments, is responsible for administering the database (leases, owners), the receipting of rents and the booking of transactions of French Tourism and Center Parcs developments in France. This department also manages the stock of accommodation units to be marketed by French Tourism. Sales administration is responsible for invoicing, collection, payment reminders, customer relations, management of disputes and processing refund claims of direct customers (call centres, brochures, Internet, etc.) and indirect customers (tour operators, travel agents, works councils, etc.).

Holding company and Property Development division

The organisation of the Accounting Department and the Operational Finance Department allows each programme manager or service manager to work with a single contact in his field of responsibility.

Accouting and management control teams for the Property Development division (marketing and porperty development) and the holding company are organised by legal entity. This organisation allows property programme managers to work with a single contract for accounting as well as management control issues relating to the property programmes they manage.

Center Parcs Europe

Center Parcs Europe's finance functions are decentralised in the Netherlands, Belgium, Germany and France and fall under the responsibility of Center Parcs Europe's Deputy Chief Executive, who reports functionally to the group Finance Department. His role is to supervise and centralise, with the assistance of his central team based in Rotterdam, the budget, reporting, central accounting, consolidation, tax affairs, cash flow and internal control.

In each village, an operational finance department is responsible for activity monitoring, budget reviews and occupancy forecasting in order to take the necessary measures, particularly in terms of cost management. These reviews are analysed by the Site Financial Manager, the General Manager and the Regional Director responsible for the country and are presented to the Operational Management Committee. The Operational Finance managers in each village are placed under the functional authority of the Business Control department that is responsible for global reviews and inter-site optimisation. The latter is under the direct authority of the Operating Manager and reports functionally to the Deputy Chief Executive of Center Parcs Europe. In each country, a Finance Department is responsible for ensuring compliance with local accounting rules and for drawing up statutory accounts and tax declarations. Local Finance and Accounting Managers, reporting to Center Parcs Europe's CFO, are also responsible for financial reporting according to Pierre & Vacances - Center Parcs Group standards.

Accounting records are kept in each country in an administrative centre (shared service centre) which deals with all the accounts of the various villages and the head office of the country. Three shared service centres, reporting to the Financial and Accounting Manager of the country concerned, have been put in place. Because of its geographic proximity, Belgium's accounting has been centralised with that of the Netherlands, while France and Germany each have their own shared service centre. These national centres are located in one of the villages of the country concerned. The coverage of customer receivables, which is the responsibility of the country's financial managers, is located in the head office in order to handle any disputes effectively. The Financial Department of the Netherlands is also responsible for the consolidation, tax and cash flow of Center Parcs Europe and for maintaining the accounting system (ERP – JD Edwards).

During the 2008/09 period, the financial functions of Sunparks centralised at its head office in De Haan (Belgium) were incorporated into the financial organisation of Center Parcs Europe. Accounting for the villages was transferred to the departmental centres shared between the Netherlands and Belgium. Responsibility for monitoring customer receivables, budget, reporting, general accounting, consolidation, tax affairs and cash flow was transferred to the head office in Rotterdam. At the same time, the (accounting and budgetary) financial flows of Sunparks were transferred to the same ERP as Center Parcs: JD Edwards.

Duties of the group's financial departments

The Operational Finance Department

The Operational Finance Department supervises and measures the operating 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. The Operational Finance Department provides tailor-made reporting solutions for each operating division which are analysed during regular financial reviews with operational managers. It is responsible for preparing the budget, activity estimates and medium-term operating results. More generally, the Operational Finance Department assists operational managers in all financial matters: simulations, planning (pricing policy, specific actions, etc.) and ensures the financial synthesis of the group's economic performance. It also advises on development issues, both in France and worldwide (business plans, simulation of profitability on new and renovated property programmes) and on the renewal or creation of leasing formulas or on the reorganisation and rationalisation of the operating businesses.

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:

- in the tourism business, these controls are performed at the level of each residence/village, then at the level of each geographical region; controls are also performed by the head office corporate departments, which consolidate this data by legal entity, then by country (Center Parcs Europe and Tourism) in the same way as for management controls;
- for the Property Development business, as the legal structure parallels the organisational structure, controls are primarily performed on each legal entity: each development project is housed within a separate property development company in the form of a general partnership (SNC), while central functions (marketing and project management) are housed within separate entities. Second-level controls are performed at the level of the property development division, notably to validate the reconciliation of intercompany transactions.

These verifications are supplemented by horizontal accounting checks on turnover, cash flows, suppliers, rental commitments, etc.

In addition to preparing the financial statements, the Accounting Department assists operational managers by providing financial information and is involved in the deployment of back-office IT solutions (multi-brand reservation system, shared ERP purchasing solution, expense claim management software) and sales tools. Quarterly financial statements are prepared for each entity, for cross-checking management reporting. At Center Parcs Europe, financial accounts are closed on a monthly basis. The accounting function's role is to support operational managers (operating controllers), management controllers, and internal auditors in preparing monthly summaries of financial indicators and ratios.

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 analysing accounting data in relation to forecasts and budgets.

Internal audit

Tourism

The running, coordination and validation of the internal control process is part of the Operational Finance Department's responsibilities. As such, it is responsible not only for the financial audits but also the social and regulatory audits concerning the touristic operation of holiday residences. These audits are mainly carried out on the operating sites. It therefore issues procedures aimed at limiting the risks of financial loss on site, communicates them and ensures that they are correctly applied but also, working closely with the Human Resources Department, it ensures that the 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 turnover 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, turnover deletions and reimbursements are traced and analysed;
- the security of property and financial assets. Under this heading, the internal 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 frequency;
- collection and the level of payments outstanding from customers. To ensure optimum account collection, many points are examined: the establishment and strict application of standardised contracts for groups and seminars, chasing letters are sent out at the required intervals, customer deposits are effectively collected and customers' addresses are recorded correctly;
- the whole purchasing stream is also audited. This begins with the approval of suppliers as part of the group common purchasing policy and its strict application. The validation of order forms, receipts and payment authorisations also receive particular attention during these audits.

Control procedures may involve physical site audits. The sites audited are either selected at random or according to their profile (holiday villages have greater risk exposure than small residences) or in response to General Management requests. Audits are coordinated by the Operational Finance Department and carried out by both management controllers and accounting controllers. At the end of each audit, the auditor completes a compliance scorecard and prepares a report outlining any deficiencies and proposing corrective actions. Where necessary, a follow-up audit is organised within a period of two months.

Center Parcs Europe

Center Parcs Europe has an Internal Audit Department (consisting of two experts) which is responsible for carrying out audits in Center Parcs and Sunparks villages. The main aim of these audits is to ensure compliance with group procedures, the exhaustivity of income and the accuracy and correct accounting of costs. Moreover, certain services (sales, marketing, purchasing, investment, payroll and cash flow) are audited in close collaboration with external auditors. This department also carries out audits on specific subjects (application of ISO 14001 quality standards, reliability of computer tools, compliance with rules, etc.). These audits are carried out at the request of the Board of Management or on the Internal Audit Department's own initiative. The internal audit manager is answerable to the Deputy Chief Executive of Center Parcs Europe. An audit schedule, approved by the Board of Management and the Supervisory Board, is drawn up at the beginning of the year. At the end of each audit assignment, audit reports are drawn up and submitted at the audited sites to General Management and to the external auditors. An action plan is drawn up in collaboration with the site managers concerned and follow-up assessments are performed within six months of the initial audit to ensure that the report's recommendations have been applied.

The Internal Audit Department works in close collaboration with the Security Manager in order to prevent and detect fraud. Theft and fraud prevention procedures have been put in place. These procedures include a quarterly self-assessment questionnaire for each village covering the key control indicators. Visits by the Security Manager and the Internal Audit Department to villages also allow them to check whether these questionnaires are accurate. Surprise visits are also made to villages by the Internal Audit Department or an external company. They may be made for preventative reasons or prompted by suspicions of fraud.

Reporting system

The operations monitoring and control process is built upon: medium-term business planning, budget planning, revisions to estimates, and the reporting cycle.

The four-year strategic business plan is produced in July and updated in January in order to decline group strategy and 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 renovations of assets, pricing trends and forecast occupancy rates. The first year of this business plan is used to define a budgetary framework for the next year.

The budgeting process is organised and supervised by the Operational Finance Department in coordination with the businesses and operating divisions. It has three phases:

- the pre-budget estimates turnover per season and per brand based on changes in the offer and the sales strategy and operating expenses (advertising, personnel, rents, etc.) according to the assumptions on distribution policy, investment plans, salary policy, indices, etc.;

- the framework refines the pre-budget assumptions through an operator validation of the sales targets, variable expenses, personnel structures and additional revenue streams on each site;
- the budget, finalised in September, consolidates all the assumptions validated site by site. Approved by Group Senior 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 units.

Budget estimates are revised for all businesses in February, May and August of each year, thereby allowing the annual budget to be updated according to results to date.

In addition to regular monitoring, the Operational Finance Department also provides tailor-made reporting solutions for each operating division that are analysed at regular intervals by operational managers and management control teams and transmitted to the group Finance Department and General Management:

- weekly reporting of holiday reservations data allows the shared sales competence centres to optimise the marketing policy and yield management while enabling the operators to adapt on-site organisation to projected occupancy rates;
- site operating expense reports are compared each month with the budget and actual results recorded the previous year and given to the Chief Operating Officers of the regions concerned. 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 Head of Sales and the Head of Marketing.

Reporting data for each "business" are presented to Group Senior Management at meetings of the specialist committees set up for each business activity (Tourism Committee, Property Development Committee, Board of Management and Supervisory Board of Center Parcs Europe).

REPORT OF THE STATUTORY AUDITORS, DRAWN UP IN ACCORDANCE WITH ARTICLE L. 225-235 OF THE FRENCH COMMERCIAL CODE, ON THE REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS OF PIERRE & VACANCES

YEAR ENDING 30 SEPTEMBER 2009

Dear Shareholders,

In our capacity as Statutory Auditors for Pierre et Vacances and in accordance with the provisions of Article L. 225-235 of the French Commercial Code, we hereby submit our report on the report drawn up by the Chairman of your company in accordance with the provisions of Article L. 225-37 of the French Commercial Code for the year ending 30 September 2009.

The Chairman is required to draw up and submit for the approval of the Board of Directors a report on the internal control and risk management procedures applied within the company and providing information required under Article L. 225-37 of the French Commercial Code relating, in particular, to the system of corporate governance.

We are required:

- to comment as we see fit on the information contained in the Chairman's report concerning internal control and risk management procedures relating to the preparation and treatment of accounting and financial information; and
- to certify that this report contains the other information required under Article L. 225-37 of the French Commercial Code, it being pointed out that we are not required to verify the sincerity of this other information.

We have carried out our audit in accordance with the professional standards applicable in France.

Information concerning internal control and risk management procedures relating to the preparation and treatment of accounting and financial information

Standards of professional practice require us to examine the sincerity of the information on the internal control and risk management procedures relating to the preparation and treatment of accounting and financial information provided in the Chairman's report. Our examination notably consists in:

- noting the internal control and risk management procedures relating to the preparation and treatment of the accounting and financial information underlying the information presented in the Chairman's report and the documentation provided;
- noting how this information and the documentation provided were prepared;
- establishing whether any major deficiencies in internal control relating to the preparation and treatment of accounting and financial information identified by us during the audit are appropriately referred to in the Chairman's report.

On the basis of our examination, we have no comments to make on the information provided on the company's internal control and risk management procedures relating to the preparation and treatment of accounting and financial information, as contained in the report of the Chairman of the Board of Directors, drawn up in accordance with the provisions of Article L. 225-37 of the French Commercial Code.

Other information

We also certify that the report of the Chairman of the Board of Directors contains the other information required under Article L. 225-37 of the French Commercial Code.

Paris and Neuilly-sur-Seine, 12 January 2010

The Statutory Auditors

A.A.C.E. ILE DE FRANCE	ERNST & YOUNG et Autres
Patrick Ughetto	Bruno Bizet

4 RESOLUTIONS PRESENTED TO THE COMBINED GENERAL MEETING

REPORT OF THE BOARD ON PROPOSED RESOLUTIONS

Report of the Board on proposed resolutions to be voted on by the Ordinary General Meeting

Approval of the financial statements

The Meeting is asked to approve the consolidated and parent company financial statements for 2008/2009 as presented in this document and during the Annual General Meeting of 18 February 2010.

Appropriation of earnings

Net of all charges, taxes and amortisation, the parent company financial statements show a net profit of €29,292,709.38.

It is proposed that this profit be appropriated as follows (euros):

• income for the year	29,292,709.38
• plus retained earnings from the previous year	456,241,260.33
Total	485,533,969.71
• to the statutory reserve	8,665.00
• to the shareholders in dividends	13,229,364.00
• to retained earnings	472,295,940.71

The dividend to be distributed for the year is therefore €1.50 per share.

This dividend will be payable on 12 March 2010.

Following this appropriation, shareholders' equity at 30 September 2009 will break down as follows (euros):

• share capital	88,195,760.00
• additional paid-in capital	8,561,945.13
• merger premiums	55,912.36
• statutory reserve	8,819,576.00
• other reserves	2,308,431.46
• retained earnings	472,295,940.71
Total	580,237,565.96

Dividends paid for previous years

In accordance with Article 243 bis of the General Tax Code, shareholders are hereby reminded that the dividends paid per share over the last three financial years were:

Period	*Number of shares*[(1)]	*Par value*	*Amount distributed*	*Net dividend per share*	*Distribution eligible for reduction as in Article L. 158-3-2 of the General Tax Code (CGI)*
2007/2008	8,683,682	€10	€23,445,941.40	€2.70	€23,445,941.40
2006/2007	8,712,863	€10	€23,524,730.10	€2.70	€23,524,730.10
2005/2006	8,706,207	€10	€21,765,517.50	€2.50	€21,765,517.50

(1) Number of shares eligible for dividends for the year.

Non-tax-deductible expenses

In accordance with the terms of Article 223 quater of the General Tax Code, the financial statements for the past year do not include any non-tax-deductible expenses with respect to Article 39-4 of that Code.

Acquisitions and disposals of subsidiaries and equity investments

The table of subsidiaries and equity investments is appended to the balance sheet.

Particular information on these subsidiaries and equity investments is given below:

Significant equity investments

During the past financial year, the company has not made any investments.

Significant disposals

During the last financial year, the company disposed of the following investments:

Pierre & Vacances Développement SAS

On 27 November 2008, Pierre & Vacances SA sold 100,000 shares in Pierre & Vacances Développement SAS (or 100% of the capital) to Pierre & Vacances Promotion Immobilière, for a total of €1.

Pierre et Vacances Investissement XXXI (which became CP Holding France SAS)

On 7 May 2009, Pierre & Vacances SA sold 3,582 shares in Pierre & Vacances Investissement XXXI (or 100% of the capital) to Center Parcs Holding Belgium BV, for a total of €35,820.

Significant investments and disposals since the year-end

None.

Attendance fees

The Meeting is asked to approve €180,000 in attendance fees to be paid to members of the Board of Directors for 2009/2010, the Board being free to distribute the attendance fees between its members.

Related-party agreements

Agreements governed by Article L. 225-38 of the French Commercial Code

Three new agreements, previously authorised, have been made during the past year. They appear in the report of the Statutory Auditors appended hereto.

Agreements governed by Article L. 225-42 of the French Commercial Code

None.

In accordance with the law, the list of agreements covered by Article L. 225-39 of the French Commercial Code and made during the past year is available to any shareholder upon request.

Reaching of the end of directors' terms of office

As all of the terms of office of the members of the Board of Directors have come to an end, it is proposed that the Meeting approve their renewal for another 3 years.

Information on the functions carried out by the directors and a list of their existing terms of office are contained in the section entitled Administration – Management in the Corporate Governance chapter of this reference document.

Reaching of the end of Auditors' terms of office

As the terms of office of:

- Ernst & Young & Autres, Regular Auditor;
- A.A.C.E. – Ile de France, Regular Auditor;
- Mr Pascal Macioce, Deputy Auditor;
- Mr Jean-Baptiste Poncet, Deputy Auditor.

have come to an end, we propose renewing them for a further period six financial years, in other words for a period expiring at the end of the meeting called to approve the financial statement for the year ending 30 September 2015.

Share buy-back programme

Since the authorisation given by the General Meeting of 12 February 2009 is valid until 12 August 2010, it appears necessary to extend a new authorisation which will terminate, so far as the unused fraction is concerned, the authorisation given to the Company by the Combined General Meeting of 12 February 2009 to trade in its own shares.

The general regulation of the AMF, in its Articles 241-1 et seq., relating to the act of 26 July 2005, has removed the obligation to have the prospectuses relating to share buy-back programmes signed off.

The description of the share buy-back programme that will be submitted to the shareholders during the Combined General Meeting of 18 February 2010 is available for shareholders to examine at the Company's head office and on the group's financial website (http://groupe.pierreetvacances.com).

The main features of this new share buy-back programme are:

Portion of the capital held by the Company and breakdown by objectives of the shares held by the Company

As at 31 December 2009, the Company holds 137,078 of its own shares, or 1.55% of the capital:

- 4,379 shares as part of the AFEI liquidity agreement;
- 13,010 shares were allocated to the share purchase option plan of 7 January 2008;
- 75,476 shares were allocated to the share purchase option plan of 12 January 2009;
- 2,879 shares were allocated to the share purchase option plan of 12 February 2009;
- 6,575 shares were allocated to the share purchase option plan of 12 February 2009;
- 26,000 shares were allocated to the share purchase option plan of 26 September 2005;
- 8,759 shares were allocated to the share purchase option plan of 21 July 2006.

Objectives of the buy-back programme

The shares bought may be used (in descending order of priority) to:

1) give impetus to the market through a liquidity contract according to the Compliance Charter of the AFEI;
2) grant free shares and/or purchase options to officers of the company and to employees, or to sell shares to employees in the context of sharing in the benefits of the company's expansion, employee shareholding plans or company savings plans,
3) issue shares on the exercise of rights attached to short-term investments giving access to the Company's capital by 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, on condition that a specific resolution is voted on by the Extraordinary General Meeting.

Maximum proportion of the capital, maximum number and details of the shares that the Company proposes to acquire and maximum purchase price

Pierre & Vacances will be able to acquire 10% of its capital, or, as of 31 December 2009, 881,957 shares at a par value of €10 each. Because of the 137,078 shares already held in treasury stock on 31 December 2009, the maximum number of shares that may be acquired as part of this buy-back programme is therefore 744,879, reflecting a theoretical maximum investment of €74,487,900 on the basis of the maximum buying price of €100 specified in the 19th resolution put to the vote of the General Meeting on 18 February 2010. It should however be noted that the buy-back programme's main objective is to steady the share price, so this maximum investment should not be reached.

Duration of the buy-back programme

Eighteen months from approval by the Combined General Meeting of 18 February 2010, that is until 18 August 2011.

Extract from the Board report on the proposed resolutions put before the Extraordinary General Meeting[1]

Authorisation for the Board of Directors to cancel the shares bought back under the share buy-back programme

Described above, the General Meeting is being asked to authorise the Board of Directors, in application of Article L 225-209 of the French Commercial Code, to buy shares in the Company up to 10% of the capital.

Among the objectives of this is, where necessary, to cancel the shares thus acquired. Consequently, your Board, through the 20th resolution, requests authorisation to reduce the share capital in order to cancel, up to the legal limit of 10% of the capital, some or all of the shares thus acquired by the Company as part of the abovementioned share buy-back programme. The requested authorisation, which will be for 18 months from the day of the General Meeting, would replace that of the same type granted by your General Meeting on 12 February 2009.

Authorisation for the Board of Directors to increase the share capital by issue, with or without cancellation of preferential subscription rights, of Company's shares and/or securities giving access to the Company's capital

The Meeting is being asked to extend the authorisations to increase the share capital. By virtue of these authorisations, the Board of Directors will be able to decide quickly and flexibly on one or more capital increases and will have the powers necessary to increase the share capital by any means (excluding issues reserved for named persons) within an overall fixed limit, while leaving the Board of Directors the right to define the type of securities to be issued and the terms and conditions of each issue.

Issue with preferential subscription rights (21th resolution): The Meeting is being asked to give an overall authorisation of a maximum par value of €44,000,000 while leaving preferential subscription rights in place.

Issue without preferential subscription rights (22th resolution): It is also proposed that the Meeting authorise the Board of Directors to increase the capital while cancelling preferential subscription rights for a maximum par value of €44,000,000 to be charged against the amount stipulated above. The Board of Directors will be authorised to set the issue price in accordance with Article R. 225-119 of the French Commercial Code: the issue price will be at least equal to the weighted average of the three stock market sessions preceding its setting, if applicable less a maximum discount of 5%.

The par value of the securities representing credits giving access to the capital likely to be issued on the basis of the 21th and 22th resolutions may not exceed €400,000,000.

By virtue of this overall authorisation, the Board will therefore be able to increase the share capital by any means authorised by the regulations in force. This overall authorisation may not be for more than twenty-six months. The Board must report to the annual Ordinary General Meeting on the use it has made of this overall authorisation. This authorisation supersedes the previous unused authorisation given by the Combined General Meeting of 12 February 2009.

(1) The full version of the report of the Board on proposed resolutions to be voted on by the Extraordinary General Meeting has been sent to the shareholders owning nominal shares and to shareholders owning bearer shares who have requested it.

Authorisation of the Board of Directors to decide on any increase in share capital with cancellation of preferential subscription rights, by private investment

You are requested to delegate your authority to the Board of Directors to decide on any increase in share capital and issue, without preferential subscription rights, company shares and any securities of any kind whatsoever giving access to the company's capital. The par value of the capital increases likely to be made on the basis of the 23th resolution may not exceed €44,000,000 may be applied against the overall share capital increase ceiling of €44,000,000.

Your Board of Directors thereby wishes to have means available so that it can, if applicable by private investment, quickly and flexibly raise the financial resources needed to ensure the growth of your Company.

This increase in capital would be carried out by means of an offer by private investment referred to in section II of Article L. 411-2 of the French Monetary and Financial Code. The order of 22 January 2009 added to the public offer the option of issuing shares without preferential subscription rights by means of an offer directed exclusively at qualified investors or at a limited group of investors acting on their own account. This issuing of shares is limited to 20% of the share capital each year and may be applied against the overall share capital increase ceiling of €44,000,000. This overall authorisation may not be for more than twenty-six months.

We would point out that a qualified investor is a person or entity having the ability and the necessary resources to take on the risks inherent in transactions involving financial instruments. The list of these qualified investors is set in the rules. A limited group of investors is a group of people, other than qualified investors, of less than 100.

The total par value of debt securities that can be issued on the basis of the twenty-third resolution should not exceed €400,000,000 and will be applied to the par ceiling for debt securities that can be issued in accordance with the twenty-first and twenty-second resolutions of the present General Meeting.

Under this authorisation, the issue price would be at least equal to the minimum sum provided for in the laws and regulations in force when this authorisation is used, after this sum has been corrected, if need be, to take account of the difference in the date from which interest begins.

As the regulations currently stand, the issue price for new shares in a public offer without preferential subscription rights by a company whose shares are tradable on a regulated market cannot be any lower than the weighted average of the three stock market sessions preceding the setting of the price, if applicable less a maximum discount of 5%.

Authorisation of the Board of Directors to set the issue price for shares to be issued according to 23th and 24th resolutions with cancellation of preferential subscription rights, up to a limit of 10% of the capital each year

Article L. 225-136-1° of the French Commercial Code states that, if shares are issued with cancellation of preferential subscription rights, the Extraordinary General Meeting can authorise the Board of Directors, up to a limit of 10% of the share capital each year, to set the issue price in accordance with terms laid down by that meeting.

The issue price may not be lower than the weighted average by the volume, of the price quoted during the three stock market session preceding the issue price setting, possibly reduced with a maximum discount of 10%.

In such a case, your Board of Directors should draw up a supplementary report, certified by the Statutory Auditors, describing the conditions of the transaction and giving the factors for assessing the actual impact on the shareholder's position.

Authorisation for the Board of Directors to proceed with capital increases reserved for members of a company savings plan

We recommend that you authorise the Board of Directors to proceed with capital increases by issuing shares or securities giving access to the Company's capital exclusively to members of a Company savings plan set up by the Company and the companies or company combinations associated with it.

It is proposed that the discount be set at 20% of the Company's average quoted share price on Euronext Paris during the twenty stock market sessions preceding the day of the decision to set the date of opening the subscriptions and that the Board of Directors be authorised to reduce the bovementioned discount if it sees fit.

The maximum par value of the increase or increases that may be made by virtue of this authorisation may not exceed €850,000. The requested authorisation would be for 26 months and would supersede the authorisation of the same type granted by your General Meeting of 12 February 2009.

RESOLUTIONS PUT TO THE COMBINED GENERAL MEETING OF 18 FEBRUARY 2010

Within the competence of the Annual Ordinary General Meeting

(Voting on these resolutions is subject to the quorum and majority conditions specified for Ordinary General Meetings)

First resolution

The General Meeting, having heard the reports of the Board of Directors and Statutory Auditors on the year ending 30 September 2009, approves the parent company financial statements for the year, as presented, together with the transactions reflected in these financial statements or described in these reports.

It discharges all the Directors wholly and without reservation of their responsibility in respect of the performance of their duties during the past year.

Second resolution

The General Meeting resolves to appropriate the income for the year, reflecting the net profit of €29,292,709.38, plus retained earnings from the previous year to the value of €456,241,260.33, making a total of €485,533,969.71, as follows:

- to the statutory reserve €8,665.00
- to the shareholders in dividends €13,229,364.00
- to retained earnings €472,295,940.71

The dividend to be distributed for the year is therefore €1.50 per share. This dividend will be payable on 12 March 2010.

The General Meeting agrees that, according to the terms of Article L. 225-210 of the French Commercial Code, the amount of dividend for the shares held by the company on the date of payment will be reallocated to "Retained earnings".

The General Meeting notes that the dividends paid for each share for the three preceding years were as follows:

Period	*Number of shares(1)*	*Par value*	*Amount distributed*	*Net dividend per share*	*Distribution eligible for reduction as in Article L. 158-3-2 of the General Tax Code (CGI)*
2007/2008	8,683,682	€10	€23,445,941.40	€2.70	€23,445,941.40
2006/2007	8,712,863	€10	€23,524,730.10	€2.70	€23,524,730.10
2005/2006	8,706,207	€10	€21,765,517.50	€2.50	€21,765,517.50

(1) Number of shares eligible for dividends for the year.

Third resolution

The General Meeting, having heard the reports of the Board of Directors and Statutory Auditors on the consolidated financial statements for the year ending 30 September 2009, approves the consolidated financial statements for that year, as presented, together with the transactions reflected in these financial statements or described in these reports.

The said consolidated financial statements for the year ending 30 September 2009 show a consolidated turnover of €1,451.3 million and a net attributable consolidated profit of €42,264 thousand.

Fourth resolution

The General Meeting sets the value of attendance fees to be distributed between the Directors for the current year at €180,000.

Fifth resolution

The General Meeting, having heard the special report of the Statutory Auditors on the agreements specified in Articles L. 225-38 *et seq.* of the French Commercial Code, approves the conclusions of the said report and the agreements specified therein.

Sixth resolution

The Ordinary General Meeting notes that the term of office of the director Mr Gérard BREMOND has come to an end and decides to renew it for a further three years, in other words until the end of the Meeting approving the financial statements for the year ending 30 September 2012.

Seventh resolution

The Ordinary General Meeting notes that the term of office of the director Mr Sven BOINET has come to an end and decides to renew it for a further three years, in other words until the end of the Meeting approving the financial statements for the year ending 30 September 2012.

Eighth resolution

The Ordinary General Meeting notes that the term of office of the director Mr Olivier BREMOND has come to an end and decides to renew it for a further three years, in other words until the end of the Meeting approving the financial statements for the year ending 30 September 2012.

Ninth resolution

The Ordinary General Meeting notes that the term of office of the director Mr Marc PASTURE has come to an end and decides to renew it for a further three years, in other words until the end of the Meeting approving the financial statements for the year ending 30 September 2012.

Tenth resolution

The Ordinary General Meeting notes that the term of office of the director Mr Ralf CORSTEN has come to an end and decides to renew it for a further three years, in other words until the end of the Meeting approving the financial statements for the year ending 30 September 2012.

Eleventh resolution

The Ordinary General Meeting notes that the term of office of the director Ms Delphine BREMOND has come to an end and decides to renew it for a further three years, in other words until the end of the Meeting approving the financial statements for the year ending 30 September 2012.

Twelfth resolution

The Ordinary General Meeting notes that the term of office of the director Mr Andries Arij OLIJSLAGER has come to an end and decides to renew it for a further three years, in other words until the end of the Meeting approving the financial statements for the year ending 30 September 2012.

Thirteenth resolution

The Ordinary General Meeting notes that the term of office of the company Société d'Investissement Touristique et Immobilier – SITI has come to an end and decides to renew it for a further three years, in other words until the end of the Meeting approving the financial statements for the year ending 30 September 2012.

Fourteenth resolution

The Ordinary General Meeting notes that the term of office of the company G.B. Développement SAS has come to an end and decides to renew it for a further three years, in other words until the end of the Meeting approving the financial statements for the year ending 30 September 2012.

Fifteenth resolution

As the term of office of ERNST & YOUNG & Autres, Regular Auditor, has expired, the General Meeting decides to renew it for a further six years, in other words until the end of the Meeting approving the financial statements for the year ending 30 September 2015.

Sixteenth resolution

As the term of office of A.A.C.E. – Île-de-France, Regular Auditor, has expired, the General Meeting decides to renew it for a further six years, in other words until the end of the Meeting approving the financial statements for the year ending 30 September 2015.

Seventeenth resolution

As the term of office of Mr Pascal MACIOCE, Deputy Auditor, has expired, the General Meeting decides to renew it for a further six years, in other words until the end of the Meeting approving the financial statements for the year ending 30 September 2015.

Eighteenth resolution

As the term of office of Mr Jean-Baptiste PONCET, Deputy Auditor, has expired, the General Meeting decides to renew it for a further six years, in other words until the end of the Meeting approving the financial statements for the year ending 30 September 2015.

Nineteenth resolution

(Authorisation for the Company to buy back its own shares)

The General Meeting, having heard the report of the Board of Directors, authorises the Board of Directors, with the option to delegate this authority, to trade in the Company's shares provided that the legal and regulatory requirements applicable at the time of trading are observed, and particularly in compliance with the terms and obligations set out in Articles L. 225-209 *et seq.* of the French Commercial Code and in Articles 241-1 to 241-6 of the General Rules of the AMF (France's financial markets regulator).

The Company may buy its own shares on the market or off the market and sell some or all of the shares thus acquired within the following limits:

- the total number of shares held must not exceed 10% of the share capital;
- the unit purchase price may not exceed €100 per share (excluding purchase expenses).

As an indication, the maximum amount that the Company would be likely to pay if it purchased at the maximum price of €100, would be €74,487,900 based on the share capital at 31 December 2009, taking account of the Company's treasury stock held at that date.

These transactions must be carried out in line with the rules set out by the General Rules of the AMF concerning the conditions and periods of trading on the market.

This authorisation is designed to allow the Company (in decreasing priority order) to:

1) give impetus to the market through a liquidity contract according to the Compliance Charter of the AFEI;
2) grant free shares and/or purchase options to officers of the company or to employees, or to sell shares to employees in the context of sharing in the benefits of the Company's expansion, employee shareholding plans or company savings plans;
3) issue shares on the exercise of rights attached to short-term investments giving access to the Company's capital by 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, on condition that a specific resolution is voted on by the Extraordinary General Meeting.

The General Meeting agrees 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, where appropriate during the period of public offering, by any means on the market or over the counter, particularly by block purchase or sale, or by the use of derivatives (to the exclusion of put sales) and of warrants, in compliance with the applicable regulations;
- in the event of a capital increase by incorporating reserves and allocating free shares and in the case of either a division or a grouping of shares, the prices indicated above shall be adjusted by a multiplication factor equal to the ratio between the number of shares comprising the share capital before the transaction and that number after the transaction.

The General Meeting agrees to give all powers to the Board of Directors, with the option to subdelegate, in order to:

- use all means to purchase, sell or transfer these shares, including using optional transactions, or transactions on derivatives (to the exclusion of put sales);
- make any agreement with a view to maintaining the registers of share purchases and sales, make any declarations to the AMF and any other organisation, fulfil all formalities and, in general, do whatever is necessary.

This authorisation is valid for a maximum of eighteen months from this date and terminates, with immediate effect, for the unused fraction, the authorisation given by the Combined General Meeting of 12 February 2009.

Within the competence of the Extraordinary General Meeting

(Voting on these resolutions is subject to the quorum and majority conditions specified for Extraordinary General Meetings)

Twentieth resolution

(Granting authority to the Board of Directors to reduce the share capital by cancelling shares bought back under the share buy-back programme)

The Extraordinary General Meeting, having heard the report of the Board of Directors and the special report of the Statutory Auditors:

- 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 the buy-backs carried out in application of the nineteenth resolution of this Meeting, and of the buy-backs made to date where appropriate and to reduce the share capital accordingly, in compliance with the applicable legal and regulatory requirements;
- sets the validity of this authorisation to eighteen 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 modify the by-laws of the Company in consequence and carry out all the required formalities.

The present authorisation supersedes the previous authorisation given by the Extraordinary General Meeting of 12 February 2009 which was not used and which is thereby replaced.

Twenty-first resolution

(Granting authority to the Board of Directors to increase the capital, with maintenance of preferential subscription rights – Renewal of the previous authorisation of the same type given by the Extraordinary General Meeting of 12 February 2009 which was not used and which is replaced by the present authorisation)

The Extraordinary General Meeting, having heard the report of the Board of Directors and the special report of the Statutory Auditors, and in accordance with the terms of the French Commercial Code and particularly Article L. 225-129 thereof:

- agrees to grant the Board of Directors the authority to decide, on one or more occasions, in the proportions and at the times it sees fit, whether in France or abroad, to issue, either in euros or in foreign currency or in any other monetary unit established with reference to a basket of currencies, with maintenance of shareholders' preferential subscription rights, shares in the Company and any other securities giving immediate or deferred access to the capital of the Company. These securities may take any form that is not incompatible with the applicable laws;
- sets the validity of this authority to twenty-six months from the present Meeting;
- agrees that the par value of the capital increases likely to be made immediately and/or in future by virtue of this authority may not, in any case and with no account being taken of the adjustments likely to be applied according to law, exceed €44,000,000 or its equivalent in foreign currencies on the day of issue. To this total amount shall be added, where appropriate, the par value of the additional shares to be issued, according to law, to preserve the rights of holders of securities giving the right to subscribe for shares in the Company;
- also agrees that the par value of the securities representing credits giving access to the capital likely to be issued by virtue of this authority may not exceed €400,000,000 or its equivalent in foreign currencies on the day of issue;
- notes that, where appropriate, this authority carries forthwith, to the benefit of the holders of securities providing access to the capital of the Company, express renunciation by the shareholders of their preferential rights to subscribe for the shares to which these securities give entitlement;
- agrees that the shareholders may exercise, within the terms provided by law, their preferential subscription right on an irrevocable basis. In addition, the Board of Directors will be able to grant shareholders revocable subscription rights to be exercised proportionally to their rights and within the limit of their requirements;

- agrees that, if irrevocable and, where appropriate, revocable subscriptions do not fully absorb the issue of shares or securities, the Board of Directors may use one and/or other of the following options, in the order it deems fit:
  - limit the issue to the amount of subscriptions obtained provided that the amount is at least three-quarters of the approved issue,
  - freely distribute some or all of the unsubscribed shares,
  - offer some or all of the unsubscribed shares to the public;
- grants the Board of Directors and, by delegation, the Chief Executive Officer, under the terms provided by law, all powers to:
  - set the amounts to be issued, determine the dates and terms of issue and the form of the short-term investments to be created and, generally, take all necessary steps and make all agreements to ensure the successful completion of the planned issues, all in compliance with the applicable laws and regulations,
  - note the completion of such issues and make the appropriate amendments to the by-laws,
  - and in general make all agreements, take all measures and complete all formalities necessary to the transactions.

Furthermore, the Extraordinary General Meeting grants the Board of Directors the power, at its sole discretion, to charge the fees relating to the capital increases against the additional paid-in capital and to deduct from this amount the sums needed to ensure that the statutory reserve remains equal to one tenth of the new capital after each increase.

In the event of a capital increase, merger or demerger, as with other financial transactions involving a preferential subscription right or reserving a priority subscription right to the benefit of shareholders, the Board of Directors may suspend the exercise of the rights attached to the aforementioned securities for a period of no more than three months.

The present authorisation supersedes the previous authorisation given by the Extraordinary General Meeting on 12 February 2009 which was not used.

Twenty-second resolution

(Granting authority to the Board of Directors to increase the share capital, with cancellation of preferential subscription rights, by a public offer – Renewal of the previous authorisation of the same type given by the Extraordinary General Meeting of 12 February 2009 which was not used and which is replaced by the present authorisation)

The Extraordinary General Meeting, having heard the report of the Board of Directors and the special report of the Statutory Auditors, and in accordance with the terms of the French Commercial Code and particularly Article L. 225-129 thereof:

- agrees to grant the Board of Directors the authority to decide, on one or more occasions, in the proportions and at the times it sees fit, whether in France or abroad, to issue by public offer, either in euros or in foreign currency or in any other monetary unit established with reference to a basket of currencies, shares in the Company and any other securities giving immediate or deferred access to the capital of the Company. The Extraordinary General Meeting agrees to remove the preferential subscription rights of shareholders to the securities to be issued, it being understood that the Board of Directors may, in accordance with the terms of Article L. 225-135 of the French Commercial Code, grant the shareholders priority subscription rights to some or all of the issue, during the time frame and on the terms that it shall set. This subscription priority shall not give rise to the creation of negotiable rights, but may, if the Board deems fit, be exercised both irrevocably and revocably. These securities may take any form that is not incompatible with the applicable laws;
- sets the validity of this authority to twenty-six months from the present Meeting;
- agrees that the par value of the capital increases likely to be made immediately and/or in future by virtue of this authority may not, in any case and with no account being taken of the adjustments likely to be applied according to law, exceed €44,000,000 or its equivalent in foreign currencies on the day of issue. To this total amount shall be added, where appropriate, the par value of the additional shares to be issued, according to law, to preserve the rights of holders of securities giving the right to subscribe for shares in the Company. The maximum par value of the capital increases likely to be made by virtue of this authority may be applied against the overall share capital increase ceiling of €44,000,000 set by the twenty-first resolution of this Extraordinary General Meeting;
- also agrees that the par value of the securities representing credits giving access to the capital likely to be issued by virtue of this authority may not exceed €400,000,000 or its equivalent in foreign currencies on the day of issue, it being specified that this maximum par value shall be applied against the par value of €400,000,000 set by the twenty-first resolution of this Extraordinary General Meeting;
- decides that the minimum share issue price will be at least equal to the minimum value stipulated in the legal and regulatory provisions applicable when this authorisation is used, after this sum has been corrected, if need be, to take account of the difference in the date from which interest begins, it being stated that the minimum price currently stipulated in Article R. 225-119 of the French Commercial Code is equal to the weighted average of the three stock market sessions on Euronext preceding the setting of the price, if applicable less a maximum discount of 5%;

- notes that, where appropriate, this authority carries forthwith, to the benefit of the holders of securities providing access to the capital of the Company, express renunciation by the shareholders of their preferential rights to subscribe for the shares to which these securities give entitlement;
- agrees that the amount collected or due to be collected by the Company for each of the shares issued under this authority, after taking account, for an issue of share warrants, of the issue price of the said warrants, shall be set in accordance with the legal or regulatory terms applicable at the time of issue;
- grants the Board of Directors and, by delegation, the Chief Executive Officer the same powers as those defined in the twenty-first resolution above.

The present authorisation supersedes the previous authorisation given by the Extraordinary General Meeting on 12 February 2009 which was not used.

Twenty-third resolution

(Granting authority to the Board of Directors to increase the share capital, with cancellation of preferential subscription rights, by private investment)

The Extraordinary General Meeting, having heard the report of the Board of Directors and the special report of the Statutory Auditors, and in accordance with the terms of the French Commercial Code and particularly Articles L. 225-129, L. 225-135 and L. 225-136 thereof:

- agrees to grant the Board of Directors the authority to issue, on one or more occasions, in the proportions and at the times it sees fit, whether in France or abroad, by an offer referred to in section II of Article L. 411-2 of the French Monetary and Financial Code, either in euros or in foreign currency or in any other monetary unit established with reference to a basket of currencies, shares in the Company and any other securities giving immediate or deferred access to the capital of the Company. The Extraordinary General Meeting agrees to remove the preferential subscription rights of shareholders to the securities to be issued, it being understood that the Board of Directors may, in accordance with the terms of Article L. 225-135 of the French Commercial Code, grant the shareholders priority subscription rights to some or all of the issue, during the time frame and on the terms that it shall set. This subscription priority shall not give rise to the creation of negotiable rights, but may, if the Board deems fit, be exercised both irrevocably and revocably. These securities may take any form that is not incompatible with the applicable laws;
- sets the validity of this authority to twenty-six months from the present Meeting;
- agrees that the par value of the capital increases likely to be made immediately and/or in future by virtue of this authority may not, in any case and with no account being taken of the adjustments likely to be applied according to law, exceed €44,000,000 or its equivalent in foreign currencies on the day of issue. The maximum par value of the capital increases likely to be made by virtue of this authority (i) will be limited to 20% of the capital each year and (ii) will be applied against the overall share capital increase ceiling of €44,000,000 set by the twenty-first and twenty-second resolutions of this Extraordinary General Meeting;
- decides that the minimum share issue price will be at least equal to the minimum value stipulated in the legal and regulatory provisions applicable when this authorisation is used, after this sum has been corrected, if need be, to take account of the difference in the date from which interest begins, it being stated that the minimum price currently stipulated in Article R. 225-119 of the French Commercial Code is equal to the weighted average of the three stock market sessions on Euronext preceding the setting of the price, if applicable less a maximum discount of 5%;
- also agrees that the par value of the securities representing credits giving access to the capital likely to be issued by virtue of this authority may not exceed €400,000,000 or its equivalent in foreign currencies on the day of issue, it being specified that this maximum par value shall be applied against the par value of €400,000,000 set by the twenty-first and twenty-second resolutions of this Extraordinary General Meeting;
- notes that, where appropriate, this authority carries forthwith, to the benefit of the holders of securities providing access to the capital of the Company, express renunciation by the shareholders of their preferential rights to subscribe for the shares to which these securities give entitlement;
- agrees that the amount collected or due to be collected by the Company for each of the shares issued under this authority, after taking account, for an issue of share warrants, of the issue price of the said warrants, shall be set in accordance with the legal or regulatory terms applicable at the time of issue;
- grants the Board of Directors and, by delegation, the Chief Executive Officer the same powers as those defined in the twenty-first resolution above.

Twenty-fourth resolution

(Authorisation of the Board of Directors to set the issue price for shares to be issued according to the twenty-second and twenty-third resolutions with cancellation of shareholders' preferential subscription rights, up to a limit of 10% of the capital each year)

The General Meeting, having heard the report of the Board of Directors and the special report of the Statutory Auditor, and in accordance with the provisions of the French Commercial Code and, in particular, Article L. 225-136-1° thereof, authorises the Board of Directors, for a period of twenty-six months from the present Meeting, and in accordance with the twenty-second and twenty-third resolutions of the present Meeting, up to the overall limit of 10% of the capital each year and in accordance with the ceiling mentioned in the twenty-second and twenty-third resolutions, with the option of subdelegation to the Chief Executive Officer within legal and regulatory conditions, to set the issue price for all shares and securities giving access to the capital at a level different from that set for issues authorised by virtue of the twenty-second and twenty-third resolutions above, this being in accordance with the following conditions:

The issue price for shares cannot be any lower than the weighted average of three stock market sessions preceding the setting of the price, if applicable less a maximum discount of 10%.

In this case, the Board of Directors should draw up a supplementary report, certified by the Statutory Auditors, describing the final conditions of the transaction and giving the factors for assessing the actual impact on the shareholder's position.

Twenty-fifth resolution

(Capital increase reserved for the employees of companies or company combinations who are members of the group's company savings plan – Renewal of the previous authorisation of the same type given by the Extraordinary General Meeting of 12 February 2009 which was not used and which is replaced by the present authorisation)

The Extraordinary General Meeting, having heard the report of the Board of Directors and the special report of the Statutory auditors, in accordance, on the one hand, with the provisions of Articles L. 225-129-6 and L. 225-138-1 of the French Commercial Code and, on the other, with those of Articles L. 3332-1 *et seq.* of the French Employment Code:

- grants the Board of Directors the authority necessary to increase the share capital on one or more occasions at its sole discretion by issuing shares or other securities providing access to the capital of the Company, reserved for employees of the companies or company combinations who are members of the group's company savings plan (or any mutual investment fund present or future to which these employees are subscribers);
- removes in favour of these beneficiaries the preferential subscription right to shares or other securities providing access to the capital of the Company, which may be issued by virtue of this authorisation;
- sets the validity of this authorisation to twenty-six months from the present Meeting;
- limits the maximum par value of the increase or increases that may be made pursuant to this authorisation to €850,000;
- agrees to set the discount at 20% of the Company's average quoted share price on Euronext Paris during the twenty stock market sessions preceding the day of the decision to set the date of opening the subscriptions. However, the Meeting expressly authorises the Board of Directors to reduce the abovementioned discount if it deems fit. The Board of Directors may also replace some or all of the discount with freely allocated shares or other securities in application of the following terms;
- decides that the Board of Directors may provide for the allocation, free of charge, of shares or other securities providing access to the capital of the Company, it being understood that the total benefit resulting from this allocation may not exceed the legal or regulatory limits. The General Meeting also agrees that the features of the other securities providing access to the capital of the Company shall be decided by the Board of Directors under the terms required by law;
- grants the Board of Directors and, by delegation, the Chief Executive Officer, as prescribed by law, the authority to:
  - set the amounts to be issued, determine the dates and terms of issue and the form of the short-term investments to be created and, generally, take all necessary steps and make all agreements to ensure the successful completion of the planned issues, all in compliance with the applicable laws and regulations,
  - note the completion of such issues and make the appropriate amendments to the by-laws,
  - and in general make all agreements, take all measures and complete all formalities necessary to the transactions.

Furthermore, the Extraordinary General Meeting grants the Board of Directors the power, at its sole discretion, to charge the fees relating to the capital increases against the additional paid-in capital and to deduct from this amount the sums needed to ensure that the statutory reserve remains equal to one tenth of the new capital after each increase.

According to the requirements of act No. 1770-2006 of 30 December 2006 on developing profit-sharing and employee shareholding, the transactions envisaged as part of this resolution may also take the form of selling shares to members of the Company Savings Plan of the Pierre & Vacances-Center Parcs Group under the terms required by law.

The present authorisation supersedes the previous authorisation given by the Extraordinary General Meeting on 12 February 2009 which was not used.

Twenty-sixth resolution

(Powers for the formalities)

The General Meeting grants all powers to the bearer of an original, an extract or a copy of the minutes of this meeting to accomplish all the formalities provided by law.

5 NOTES

PERSONS RESPONSIBLE FOR AUDITING THE FINANCIAL STATEMENTS AND THE REFERENCE DOCUMENT

Names of the persons assuming responsibility for the reference document

Gérard BREMOND, Chairman of the Board of Directors.

Sven BOINET, Chief Executive Officer.

This information is provided under the sole responsibility of the directors of the company.

Statement by the persons assuming responsibility for the reference document

After having taken all reasonable measures appropriate, we confirm that the information contained in this reference document is, to our knowledge, a fair reflection of the true situation and is not subject to any omission likely to impair the meaning thereof.

We hereby confirm, to our knowledge, that the financial statements have been prepared in accordance with applicable accounting standards and give a true picture of the assets, the financial position and the income of the Company and all companies in the group, and that the management report given on pages 4 *et seq.* contains an accurate table of changes in the business, income and financial position of the Company and all companies in the group and a description of the main risks and uncertainties they face.

We have obtained from our Statutory Auditors a letter of completion, in which they indicate that they have verified the information relating to the financial situation and financial statements given in this reference document and have read the whole of this reference document.

Paris, 12 January 2010

Gérard Bremond,

Chairman of the Board of Directors

Sven Boinet,

Chief Executive Officer

Statutory Auditors

Regular Auditors:

ERNST & YOUNG & Autres
Bruno BIZET
41, rue Ybry – 92576 Neuilly-sur-Seine
First appointed by the General Meeting of 29 May 1990
Reappointed for six years by the General Meeting of 11 March 2004

AACE – Île-de-France
Patrick Ughetto
10, rue de Florence – 75008 Paris
First appointed by the General Meeting of 3 October 1988
Reappointed for six years by the General Meeting of 11 March 2004

Deputy Auditors:

Pascal MACIOCE
41, rue Ybry – 92576 Neuilly-sur-Seine
First appointed by the General Meeting of 11 March 2004

Jean-Baptiste PONCET
10, rue de Florence – 75008 Paris
First appointed by the General Meeting of 11 March 2004

FEES PAID TO THE STATUTORY AUDITORS

	Ernst & Young & Autres				*A.A.C.E. – Île-de-France*			
	Amount		*%*		*Amount*		*%*	
(in thousands of euros)	2008/2009	2007/2008	2008/2009	2007/2008	2008/2009	2007/2008	2008/2009	2007/2008
Audit								
Statutory Auditor, certification, examination of individual and consolidated financial statements	1,211	1,157	75%	87%	376	355	100%	100%
Issuer	281	291	17%	22%	34	32	9%	9%
Fully integrated subsidiaries	930	866	58%	65%	342	323	91%	91%
Other examinations and services directly associated with the task of the Statutory Auditor	68	-	4%	-	-	-	-	-
Issuer	-	-	-	-	-	-	-	-
Fully integrated subsidiaries	68	-	4%	-	-	-	-	-
SUB-TOTAL	**1,279**	**1,157**	**79%**	**87%**	**376**	**355**	**100%**	**100%**
Other services provided by networks to fully integrated subsidiaries								
Legal, fiscal, social	338	159	21%	12%	-	-	-	-
Others (to be specified if >10% of the audit fees)		16		1%	-	-	-	-
SUB-TOTAL	**338**	**175**	**21%**	**13%**	**-**	**-**	**-**	**-**
TOTAL	**1,617**	**1,332**	**100%**	**100%**	**376**	**355**	**100%**	**100%**

The annual and consolidated financial statements of the Center Parcs Europe sub-group for 2008/2009 and 2007/2008 have been audited by the auditors of the Ernst & Young network in the Netherlands, Germany and Belgium and by Ernst & Young & Autres in France.

Furthermore, the fees for the tax services cover the work done in 2008/2009 and 2007/2008 by the members of the Ernst & Young network in the Netherlands, Germany and Belgium as part of the legal restructuring in the Center Parcs Europe sub-group.

ANNUAL INFORMATION DOCUMENT

The list of information[1] that has been published or made available to the public by the Pierre & Vacances – Center Parcs Group over the last twelve months, in accordance with Article L. 451-1-1 of the French Monetary and Financial Code and Article 222-7 of the General Rules of the AMF (France's financial markets regulator), is as follows:

- Notice of invitation to the Combined General Meeting of 12 February 2009, published in the *Bulletin des Annonces Légales Obligatoires* of 7 January 2009 (*bulletin* n°3);
- Notice of meeting to the Combined General Meeting of 12 February 2009, published on 15 January 2009;
- Financial information – 1st quarter of 2008/2009, published on 15 January 2009;
- Half-yearly balance sheet of the Pierre & Vacances - Center Parcs Group liquidity agreement as of 31 December 2008, published on 19 January 2009;
- Notice of invitation to the Combined General Meeting of 12 February 2009, published in the Journal Spécial des Sociétés of 23 and 24 January 2009;
- Correction of the notice of invitation to the Combined General Meeting of 12 February 2009, published on 26 January 2009;
- Correction of the notice of invitation to the Combined General Meeting of 12 February 2009, published in the *Bulletin des Annonces Légales Obligatoires* of 26 January 2009 (*bulletin* n°11);
- Provision of the preparatory documents at the Combined General Meeting of 12 February 2009, published on 28 January 2009;
- 2007/2008 reference document filed with the AMF on 29 January 2009 under No. 09-040;
- Notice of invitation to the Combined General Meeting of 12 February 2009, published on 29 January 2009;
- Terms of provision of the 2007/2008 reference document, published on 30 January 2009;
- Vote on the resolutions result, Combined General Meeting of 12 février 2009, published on 16 February 2009;
- Financial information – 2nd quarter of 2008/2009, published on 16 April 2009;
- Annual financial statements – Certifications of the statutory auditors on the annual financial statements and the consolidated financial statements, published in the *Bulletin des Annonces Légales Obligatoires* of 17 April 2009 (*bulletin* n°46);
- Press release – Pierre & Vacances – Center Parcs Group in Morocco, published on 27 May 2009;
- Half-yearly Financial Report published on 28 May 2009;
- Half-yearly balance sheet of the Pierre & Vacances - Center Parcs Group liquidity agreement as of 30 June 2009, published on 6 July 2009;
- Financial information – 3rd quarter of 2008/2009, published on 16 July 2009;
- Press release – Pierre & Vacances – Center Parcs Group and Intrawest, published on 5 August 2009;
- 2008/2009 annual turnover, published on 19 October 2009;
- 2008/2009 annual income, published on 3 December 2009;
- Declarations of treasury stock transactions published on 27 March, 2 April 2009;
- Monthly declaration of the number of shares and rights on 28 February, 31 March, 30 June, 31 August, 31 October and 30 November 2009.

(1) Informations available on the Pierre & Vacances website at http://groupe.pierreetvacances.com/ and in the Bulletin des Annonces Légales Obligatoires (BALO).

INFORMATION INCLUDED BY REFERENCE

In accordance with Article 28 of Commission Regulation (EC) No. 809/2004, the following information is included by reference in the present reference document:

- the consolidated financial statements and corresponding audit reports shown on pages 33 to 102 (financial report) of the 2007/2008 reference document registered with the AMF on 29 January 2009 under number D. 09-040;
- the consolidated financial statements and corresponding audit reports shown on pages 32 to 111 (financial report) of the 2006/2007 reference document registered with the AMF on 28 January 2008 under number D. 08-036;
- the group management report shown on pages 4 to 32 (financial report) of the 2007/2008 reference document registered with the AMF on 29 January 2009 under number D. 09-040;
- the group management report shown on pages 4 to 30 (financial report) of the 2006/2007 reference document registered with the AMF on 28 January 2008 under number D. 08-036.
- Parts not included in these documents are either irrelevant to the investor or covered elsewhere in the Reference Document.

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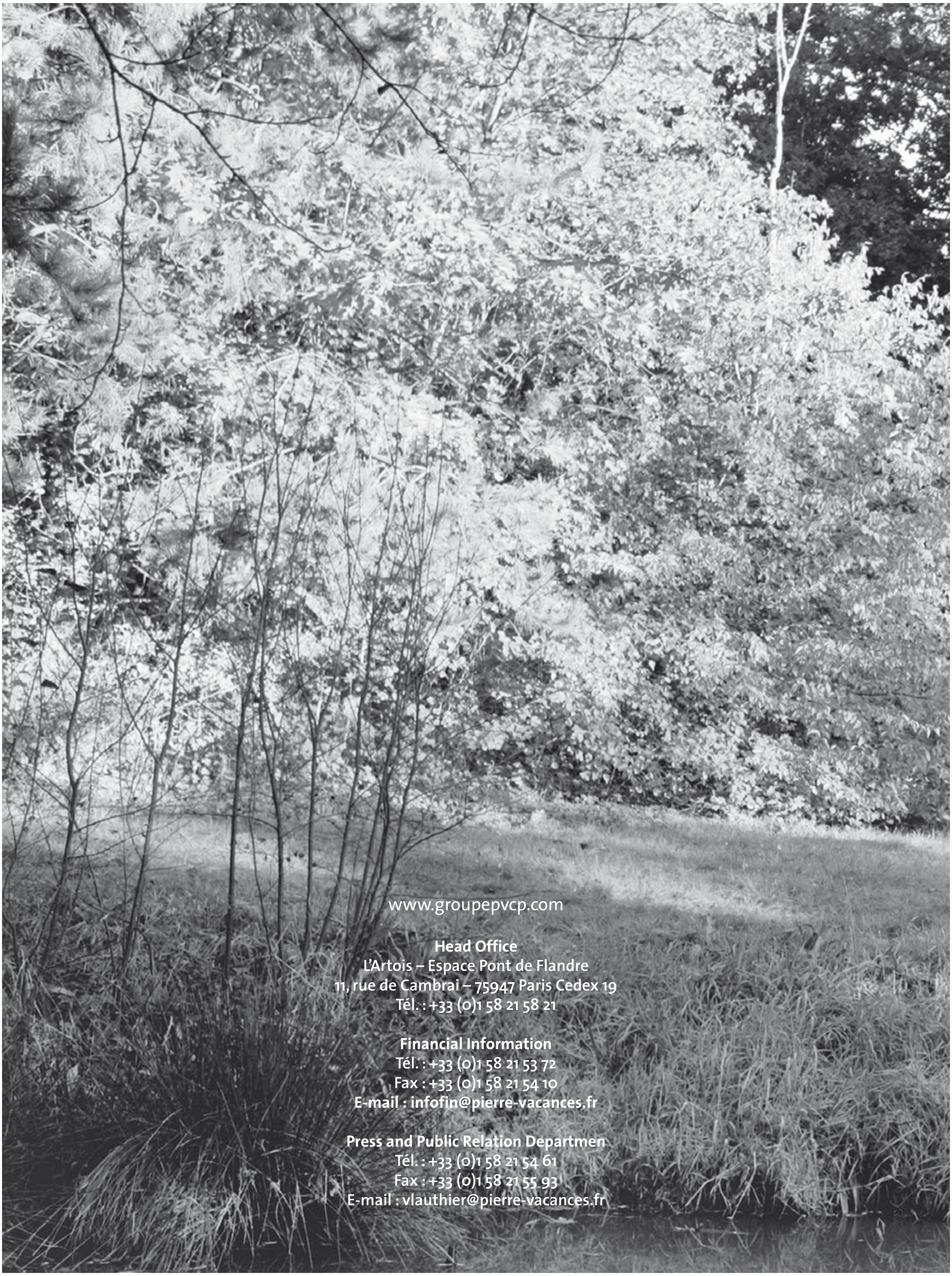

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