PIERRE & VACANCES GROUP

H1 2008/2009
FINANCIAL REPORT

CONTENTS

I. BUSINESS REPORT

1. MAIN EVENTS

Extension of Scellier Law to Tourism Residences
This measure was adopted under the framework of the revised French financial law for 2009 and should stimulate the Group's property businesses by providing buyers a tax reduction totalling 25% of the price of the property, capped at €300,000. The measure applies to new programmes and is retroactive to 1 January 2009.

Development of offering at Avoriaz
The Pierre & Vacances Group has started property marketing for an extension programme at the Avoriaz station concerning a total of 475 apartments in three and four-star tourism residences under the MGM, Pierre & Vacances and Maeva brands. Tourism operating of the first residences should start in 2011.

2. H1 2008/2009 RESULTS

2.1 H1 2008/2009 TURNOVER AND EARNINGS (1st OCTOBER 2008 TO 31 MARCH 2009)

Consolidated turnover: €613.1 million

Over the first six months of 2008/2009 running from 1 October 2008 to 31 March 2009, like-for-like turnover rose 2.6% to €613.1 million.

euro millions	2008/2009	2007/2008	Current structure	Like-for-like*
Tourism	**263.0**	**297.3**	**-11.6%**	**-4.7%**
- Pierre & Vacances Tourisme Europe[1]	140.1	155.3	-9.8%	-1.9%
- Center Parcs Europe[2]	122.9	142.0	-13.5%	-7.7%
Property development	**52.7**	**37.1**	**+42.2%**	**+42.2%**
Total Q2	**315.7**	**334.4**	**-5.6%**	**+0.8%**
Tourism	**480.7**	**500.7**	**-4.0%**	**-0.8%**
o/w accommodation turnover	*247.9*	*257.5*	*-3.7%*	*+0.4%*
- Pierre & Vacances Tourism Europe	211.7	220.5	-4.0%	-0.2%
- Center Parcs Europe	269.0	280.2	-4.0%	-1.2%
Property development	**132.4**	**113.1**	**+17.1%**	**+17.1%**
Total H1	**613.1**	**613.8**	**-0.1%**	**+2.6%**

** On a like-for-like basis, H1 2007/08 turnover is adjusted for the fact that Easter weekend fell in March rather than April and strikes in the French West Indies.*

Tourism turnover

H1 tourism turnover totalled €480.7 million, reflecting stable like-for-like accommodation turnover of €247.9 million.

Accommodation turnover at **Pierre & Vacances Tourisme Europe** rose by 1.1% like-for-like thanks to city and mountain residences. Direct sales totalled 69% of turnover on the back of growth in internet sales, which accounted for 19% of turnover vs. 15% in the year-earlier period.

Like-for-like accommodation turnover at **Center Parcs Europe** was stable. The 2.6% increase in average letting prices offset the 2.9% decrease in the number of nights sold. Direct sales represented 90% of turnover with growth in internet sales to represent 50% of turnover vs. 46% in the year-earlier period.

Growth in supplementary income at Pierre & Vacances Tourisme Europe and Center Parcs Europe was in line with that in the number of nights sold.

[1] Pierre & Vacances Tourisme Europe includes the Pierre & Vacances, Adagio City Aparthotel, Maeva, Résidences MGM and Hôtels Latitudes brands
[2] Center Parcs Europe includes the Center Parcs and Sunparks brands

Property development turnover

H1 2008/09 property development turnover totalled €132.4 million vs. €113.1 million in the year-earlier period. Turnover during the period stemmed for 75% from new programmes (Center Parcs in Moselle and Sologne, extensions of Belle Dune, MGM residence at Houlgate…) and for 25% from renovations (Paris La Défense, Val Thorens…).

H1 2008/2009 earnings

(millions of euros)	H1 2008/2009	H1 2008/2009 adjusted (3)	H1 2007/2008 (2)
Turnover	**613.1**	**625.1**	**613.8**
- Tourism	480.7	492.7	500.7
- Property development	132.4	132.4	113.1
Current operating loss	**-57.1**	**-47.6**	**-33.9**
- Tourism	**-61.5**	**-52.0**	**-44.4**
- Pierre & Vacances Tourisme Europe	*-38.0*	*-35.3*	*-34.9*
- Center Parcs Europe	*-23.5*	*-16.7*	*-9.5*
- **Property development**	**4.4**	**4.4**	**10.5**
Financial items	-6.5	-6.5	-4.6
Taxes (1)	19.0	16.0	12.1
Attributable current net income (1)	**-44.6**	**-38.1**	**-26.4**
Other operating income/expense net of tax (1)	4.4	4.4	7.2
Attributable net income	**-40.2**	**-33.7**	**-19.2**

(1) Other operating income/expense is presented net of tax and also includes non-recurring items associated with tax (tax savings, update of Group fiscal position) which are reclassified from accounting tax.
(2) After changes in the accounting method for advertising spending which is now undertaken on a per service basis
(3) Earnings adjusted for the shift in Easter weekend from March last year to April this year.

2.1 Current operating loss of €47.6 million excluding impact of later Easter weekend

Note that the seasonal nature of revenue trends in the Pierre & Vacances Tourisme Europe division, and to a lesser extent, Center Parcs Europe, has the structural effect of pushing tourism operating profit into the red in H1 due to lower turnover in the winter season than that generated in the summer season, whereas fixed costs (especially rents) are booked in a linear manner.

This seasonal nature was amplified during H1 2008/2009 by the fact that Easter weekend fell in April for both divisions (impact of €9.5 million).

Adjusted for this impact, the current operating loss totalled €47.6m compared with a €33.9 million loss in H1 2007/2008. This change included the following exceptional events:

- The impact of strikes in the French West Indies for Pierre & Vacances Tourisme Europe (-€3.6 million).
- Excess energy costs for Center Parcs Europe (-€5.0 million).
- Bolstered marketing and sales actions in order to underpin the property business prior to the announcement of the extension of the Scellier tax law to tourism residences (€5m).

2.2 Net attributable loss of €33.7m adjusted for shift in Easter weekend.

Financial expenses fell by €1.9 million to €6.5 million in line with the decline in net debt.

Other operating income and expense net of taxes primarily included non-recurring tax savings.

2.2 INVESTMENTS AND BALANCE SHEET

Main cash flows

The change in cash flow during H1 2008/2009 stemmed primarily from:

- The seasonal nature of business in the Pierre & Vacances Europe division and to a lesser extent at Centre Parcs Europe which structurally caused the Group's cash flow to fall into the red in H1.
- The rebuilding of property stocks notably with the construction of the Center Parcs in Moselle.
- Investment spending of €27.1 million for projects to renovate the tourism network and overhaul IT systems.

OVERVIEW OF CASH FLOWS

euro millions	H1 2008/2009	H1 2007/2008 (1)
Cash flow (after financial interest and taxes)	-45.4	-8.2
Change in working capital requirements	-80.3	-56.9
Flows from operations	**-125.7**	**-65.1**
Investments	-37.7	-42.7
Asset disposals	8.0	5.8
Flows attributed to investments	**-29.7**	**-36.9**
Acquisitions and disposal of treasury stock	-0.1	-1.6
Dividends paid*	-23.4	-23.5
Change in loans	29.4	-8.6
Flows attributed to financing	**5.9**	**-33.7**
Change in net cash	**-149.5**	**-135.7**

*dividends paid to shareholders at the parent company and to minority shareholders in integrated companies
(1) accounts adjusted in line with change in method for design and creation costs for advertising means.

Operating of the Group's tourism and property development businesses in H1 2008/2009 generated cash flow requirements of €125.7 million vs. €65.1 million in the year-earlier period.

This was due to changes in cash flow, which fell by €37.2 million and working capital requirements which increased by €23.4 million in H1 2008/2009.

The €37.2 million decline in cash flow stemmed primarily from:

- A €23.1 million decline in current operating income between H1 2007/2008 and H1 2008/2009.
- A €1.7 million rise in interest expenses paid due to change in debt.
- The repayment of tax receivables of €10 million in in 2007/2008 primarily for Centre Parcs Europe.

The financing requirements generated in H1 2008/09 by **changes in working capital requirements (€80.3m) stemmed primarily from:**

- A €52.4 million increase in stocks in current, new or renovation property programmes including €43.2 million for Pierre & Vacances (Paris Bastille, Avoriaz…) and Center Parcs (Moselle – Bois des Harcholins, Sologne – Les Hauts de Bruyères) and €9.2 million for Les Senioriales (Jonquières, Ruoms, Bergerac…),

- The decline in operating net debt due to the property business and the seasonal nature of the tourism business.

Net cash flows allocated to investment operations totalled €29.7 million and primarily included:

- Net investments made for the tourism business for €20.8 million:

- Investments made by Center Parcs Europe totalling €16.4 million mainly concerned the improvement in the product mix and broke down by region into €6.8 million for the Dutch villages, €5.3 million for the Belgian villages, €2.4 million for the French villages and €1.7 million for the German villages.

- Investments made by the Pierre & Vacances Tourisme Europe division concerned €12.3 million in renovation and modernisation works for the network operated, including €5.4 million for the village at Cap Esterel.

- The disposal of assets for €7.9 million, including renovation works for the Sunparks sold to Foncière des Murs.

- Investments made by the Group (€6.3 million) to adapt and optimise IT systems and notably the reservation system (€4 million).

The €29.4 million increase in loans (excluding bank overdraft facilities) on 31 March 2008 relative to 30 September 2008 corresponded mainly to:

- A net increase in property debt primarily prompted by a rise in bridging loans of €41.5 million, including that for Center Parcs Moselle – Bois des Harcholins (+€25.6 million).
- Amortisation of €9.3 million during the period for the Group's corporate debt contracted for acquisitions operations.

Change in balance sheet structure

Given the asset and liability management principles adopted by the Pierre & Vacances Group in its tourism and property development businesses, the following points should be noted regarding the contribution of these two activities to the consolidated balance sheet:

- The tourism business is not very 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** at Pierre & Vacances 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 and accrued liabilities. At the same time, costs incurred in connection with the property business 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 progress 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, major property programmes concerning the Center Parcs villages and notably the construction of equipment undertaken on behalf of purchasing institutional investors, can result in a temporary decline in WCR, since the group pre-finances part of this work.

- The **property renovation programme** generates a temporary deterioration in working capital requirements. In this business, the Pierre & Vacances 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.

SIMPLIFIED BALANCE SHEET

euro millions	31/03/2009	30/09/2008	Change
Goodwill	152.0	152.1	-0.1
Net fixed assets	582.7	573.8	8.9
INVESTMENTS	**734.7**	**725.9**	**8.8**
Shareholders' equity	406.9	470.0	-63.1
Provisions for risks and charges	45.5	51.0	-5.5
Net debt	262.8	82.4	180.4
Working capital requirements	19.5	122.5	-103.0
RESOURCES	**734.7**	**725.9**	**8.8**

No changes in the scope of consolidation leading to a change in the value of goodwill were incurred during H1 2008/2009.

Net book value therefore remained virtually unchanged at €152.0 million with the main goodwill items breaking down as follows:

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

The rise in the book value of **fixed assets** (€8.9 million) stemmed primarily from:

- Net investments made in tourism operations totalling €20.8 million.
- Net investments made by the Group of €6.3 million in order to adapt and optimise IT systems and the reservation system in particular.
- Depreciation, amortisation and provisions set aside during the period totalling €22.5m.

Net fixed assets as of 31 March 2009 broke down as follows:

- €146.0 million in intangible fixed assets.
- €397.7 million in tangible fixed assets.
- €39.0 million in financial fixed assets.

The contribution from Center Parcs Europe to net intangible fixed assets totalled €97.1 million, €85.9 million of which for the Center Parcs brand and €5.5 million for the Sunparks brand. The share of the sub-division in net intangible fixed assets totalled €298.5 million.

Attributable shareholders' equity totalled €406.9 million on 31 March 2009 compared with €470.0 million on 30 September 2008 after taking account of:

- The net loss during the period of €40.2 million.
- The dividend pay-out of €23.4 million.
- A €0.5 million increase in equity before earnings caused by IFRS accounting of stock-options, treasury stock and financial hedging instruments.

Provisions for risks and charges totalled €45.5 million on 31 March 2009.

The €5.5 million decline in H1 stemmed primarily from:

- Net provision write-backs for renovation work of €3.2 million.

- Net provision writes backs for restructuring and disputes of €2.4 million following the unwinding of situations during the period.

On 31 March 2009, provisions for risks and charges broke down as follows:

- provisions for renovation : €21.7 million
- provisions for pensions and retirement : €11.6 million
- provisions for restructuring and various risks : €12.2 million

Net debt reported by the Group on 31 March 2009 broke down as follows:

euro millions	31/03/2009	30/09/2008	Change
Gross debt	278.0	247.0	31.0
Cash pile (net of positive bank balances)	-15.2	-164.6	149.4
Net debt	**262.8**	**82.4**	**180.4**

The increase in gross debt is analysed in the paragraph "Main cash flows" presented above.

Net debt reported by the group on 31 March 2009 (€262.8 million) corresponded primarily to:

- The €55.5 million in capital still due on corporate debt taken out during acquisitions operations. Outstanding loans on 31 March 2009 were as follows:
  - €42.8 million for the acquisition of the remaining 50% stake in sub-division Center Parcs Europe.
  - €12.7 million for the acquisition of Gran Dorado, the first 50% stake in Center Parcs Europe and Maeva.

  Maturity on this debt is set for 26 March 2012. The provisional amortisation plan for this five-year debt is linear and corresponds to the six-monthly reimbursement of the principal totalling €9.3 million.

  Corporate loan covenants have been renegotiated with banks in order to provide the Group greater financial leeway. Since 8 April 2009, two ratios are monitored:

  - Ratio 1: Adjusted net debt/EBITDAR. This ratio is identical to that monitored previously but with a definition of adjusted net debt more in line with the method used by S&P (net debt + rental commitments discounted at 6%). This ratio must remain below 5.5;
  - Ratio 2: Net debt/EBITDA. This ratio must remain below 1.75.

  In return, margins are set to be raised from 0.7% previously to 1.75%.

- Financial debt of €116.7 million booked for the adjustment of the lease contract for the central equipment at the Center Parcs village at Lac d'Ailette.

- Loans contracted by the Group in order to finance property assets destined to be sold off (€92.7 million including €78.1 million for the Pierre & Vacances and Center Parcs programmes and €14.6 million for Les Seniorales).

- Net of free cash.

3. OUTLOOK AND ACTION PLAN

3.1 OUTLOOK FOR 2008/2009

After good resistance by business in H1 2008/2009, tourism reservations to date for the summer season reflect a wait-and-see attitude that prevents the Group from giving a precise estimate for H2 2008/2009 turnover. However, last minute sales helped the Group post healthy performances over the Easter holidays and the May bank holidays, although visibility remains poor for the entire season, and especially the fringe seasons.

Full-year turnover from property development should be in line with the 2007/2008 level, with the H2 margin restored to the year-earlier level.

3.2 ACTION PLAN

- The Pierre & Vacances Group boasts specific assets to face the unprecedented crisis in the tourism industry caused by the economic backdrop.

- The Group is implementing a plan to unlock significant synergies between Pierre & Vacances Europe and Center Parcs Europe, aimed at:

  - Increasing revenues by:

    - Enhancing visibility and segmenting the brand portfolio.

    -Rising internet sales which should account for 50% of the Group's turnover by 2012/2103, on the back of the roll-out of a joint platform for all of the Group's banners.

    - Bolstering sales efficiency by merging the Pierre & Vacances Europe and Center Parcs Europe teams.

  - Reducing costs by:

    -Cost savings of €10 million in 2009/2010, in addition to the €10 million generated in 2008/2009 (€5 million of which was already achieved in H1).

    -In property development, the extension of the Scellier law to tourism residences has stepped up the pace of reservations since April and benefited the business, enabling the Group to confirm its target for €1 billion in turnover to be generated on the Group's major projects (extension of Center Parcs village in Moselle, Center Parcs Isère, Avoriaz, Deauville, Villages Nature…).

II. HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2009

HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

I. Consolidated profit and loss account
(In thousands of euros)

	Note	1st half-year 2008/2009	1st half-year 2007/2008(*)	2007/2008
Turnover	3/4	613,114	613,833	1,424,451
Purchases and external services	21	-469,600	-447,356	-916,919
Personnel expenses	22	-171,297	-173,750	-345,809
Amortisation and provisions	23	-29,119	-24,814	-46,426
Current items	24	-138	-1,812	-11,808
CURRENT OPERATING INCOME	**3**	**-57,040**	**-33,899**	**103,489**
Other operating expenses and earnings	3/25	997	169	-5,358
OPERATING INCOME	**3**	**-56,043**	**-33,730**	**98,131**
Financial earnings	26	2,970	2,726	5,005
Financial expenses	26	-9,520	-7,393	-15,812
FINANCIAL INCOME		**-6,550**	**-4,667**	**-10,807**
Corporate income tax	27	22,385	19,218	-13,890
NET INCOME		**-40,208**	**-19,179**	**73,434**
Including: - Attributable		-40,208	-19,179	73,434
- Minority interests	15		-	-
Net attributable earnings per share (in euros)	28	-4.64	-2.20	8.45
Diluted attributable earnings per share (in euros)	28	-4.64	-2.20	8.39

(*): 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".

II. Consolidated balance sheet
(In thousands of euros)

ASSETS	Note	31/03/2009	30/09/2008	31/03/2008(*)
Goodwill	5	151,985	152,133	148,453
Intangible fixed assets	6	146,061	141,411	137,437
Tangible fixed assets	7	397,654	395,980	374,916
Non-current financial assets	8	39,024	36,370	37,475
Deferred tax assets		68,800	49,214	55,777
NON-CURRENT ASSETS	**3**	**803,524**	**775,108**	**754,058**
Inventories and work in progress	9/10	174,214	121,915	107,578
Trade receivables and related accounts	11	323,292	389,328	216,804
Other current assets	12/18	250,454	237,784	237,087
Cash and cash equivalents	13	39,616	167,295	47,094
Non-current assets and asset groups held for sale		-	-	41,398
CURRENT ASSETS	**3**	**787,576**	**916,322**	**649,961**
TOTAL ASSETS	**3**	**1,591,100**	**1,691,430**	**1,404,019**

LIABILITIES		31/03/2009	30/09/2008	31/03/2008(*)
Share capital		88,196	88,109	88,109
Additional paid-in capital		8,564	8,651	8,651
Treasury stock		-9,627	-10,487	-7,579
Items reported directly in shareholders' equity		-381	339	334
Reserves		360,342	309,981	308,541
Consolidated income		-40,208	73,434	-19,179
ATTRIBUTABLE SHAREHOLDERS' EQUITY	**14**	**406,886**	**470,027**	**378,877**
Minority interests	15	5	3	3
SHAREHOLDERS' EQUITY		**406,891**	**470,030**	**378,880**
Long-term borrowings	17	237,947	204,002	196,661
Provisions for contingencies and charges, non-current	16	27,367	28,283	43,582
Deferred tax liabilities		19,941	23,098	-
NON-CURRENT LIABILITIES	**3**	**285,255**	**255,383**	**240,243**
Short-term borrowings	17	63,950	46,128	53,366
Provisions for contingencies and charges, current	16	18,116	22,706	10,797
Trade payables and related accounts	19	233,720	272,674	235,945
Other current liabilities	20	583,168	624,509	484,788
CURRENT LIABILITIES	**3**	**898,954**	**966,017**	**784,896**
TOTAL LIABILITIES	**3**	**1,591,100**	**1,691,430**	**1,404,019**

(*): 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".

III. Consolidated cash flow statement
(In thousands of euros)

	Note	1st half-year 2008/2009	1st half-year 2007/2008 (*)	2007/2008
Operations				
Net consolidated income		**-40,208**	**-19,179**	**73,434**
Depreciation, amortisation and provisions (not related to current assets)		16,980	18,390	36,158
Expenses related to share subscription and purchase option plans		1,256	1,317	2,803
Capital gains and losses on disposals		-1,364	-158	-981
Cost of net long-term debt	26	6,518	5,184	11,174
Taxation (including deferred taxes)	27	-22,385	-19,218	13,890
Cash flow generated by operations		**-39,203**	**-13,664**	**136,478**
Net cost of long-term debt: net interest paid		-6,154	-4,472	-11,482
Taxes paid		-31	9,996	4,527
Cash flow after debt interest and taxes		**-45,388**	**-8,140**	**129,523**
Change in working capital requirement from operations (including debt relating to staff benefits)		-80,306	-56,918	-63,546
NET CASH FLOW FROM OPERATING ACTIVITIES (I)		**-125,694**	**-65,058**	**65,977**
Investments				
Acquisitions of tangible and intangible fixed assets	6/7	-34,551	-41,119	-89,883
Acquisitions of long-term investments		-3,133	-1,545	-1,307
Acquisitions of subsidiaries (net of cash acquired)	13	13	-	-3,680
Subtotal of disbursements		**-37,671**	**-42,664**	-94,870
Disposals of tangible and intangible assets		6,111	5,091	6,216
Disposals of long-term investments		456	677	1,469
Disposals of subsidiaries (net of cash paid)	13	1,449	-	-
Subtotal of receipts		**8,016**	**5,768**	7,685
Net cash flow assigned to assets held for sale		-	-	41,936
NET CASH FLOW FROM INVESTMENT ACTIVITIES (II)		**-29,655**	**-36,896**	**-45,249**
Financing				
Capital increases in cash by the parent company	14	-	-	-
Acquisitions and disposals of treasury stock	14	-78	-1,647	-4,555
Dividends paid to parent company shareholders		-23,438	-23,525	-23,525
Dividends paid to minority shareholders in subsidiaries	14	-	-	-
Receipts from new bank loans	17	50,794	6,564	43,304
Repayment of bank loans	17	-21,402	-15,156	-31,029
Other flows from financing operations	17	30	72	28
NET CASH FLOW FROM FINANCING ACTIVITIES (III)		**5,906**	**-33,692**	**-15,777**
CHANGE IN NET CASH FLOW (IV = I + II + III)		**-149,443**	**-135,646**	**4,951**
Cash and cash equivalents at beginning of year (V)	13	164,645	159,694	159,694
Cash and cash equivalents at end of year (VI = IV + V)	13	15,202	24,048	164,645

(*): 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".

IV. 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 shareholders' equity	Reserves	Consolidated income	Attributable shareholders' equity	Minority interests	Total shareholders' equity
Balance at 01 October 2007 (*)	**8,810,911**	**88,109**	**8,651**	**-5,932**	**575**	**255,341**	**75,455**	**422,199**	**-33**	**422,166**
Hedging instruments	-	-	-	-	-323	-	-	-323	-	-323
Deferred taxes on these items	-	-	-	-	82	-	-	82	-	82
Changes in value recognised directly in shareholders' equity	**-**	**-**	**-**	**-**	**-241**	**-**	**-**	**-241**	**-**	**-241**
Net income	-	-	-	-	-	-	-19,179	-19,179	-	-19,179
Total expenses and earnings booked	**-**	**-**	**-**	**-**	**-241**	**-**	-19,179	**-19,420**	**0**	**-19,420**
Capital increase	-	-	-	-	-	-	-	0	-	0
Dividends	-	-	-	-	-	-23,525	-	-23,525	-	-23,525
Change in treasury stock	-	-	-	-1,647	-	-47	-	-1,694	-	-1,694
Expenses on option plans	-	-	-	-	-	1,317	-	1,317	-	1,317
Other movements	-	-	-	-	-	75,455	-75,455	0	36	36
Balance at 31 March 2008 (*)	**8,810,911**	**88,109**	**8,651**	**-7,579**	**334**	**308,541**	**-19,179**	**378,877**	**3**	**378,880**
Hedging instruments	-	-	-	-	6	-	-	6	-	6
Deferred taxes on these items	-	-	-	-	-1	-	-	-1	-	-1
Changes in value recognised directly in shareholders' equity	**-**	**-**	**-**	**-**	**5**	**-**	**-**	**5**	**-**	**5**
Net income	-	-	-	-	-	-	92,613	92,613	-	92,613
Total expenses and earnings booked	**-**	**-**	**-**	**-**	**5**	**-**	92,613	**92,618**	**-**	**92,618**
Capital increase	-	-	-	-	-	-	-	0	-	0
Dividends	-	-	-	-	-	-	-	0	-	0
Change in treasury stock	-	-	-	-2,908	-	-50	-	-2,958	-	-2,958
Expenses on option plans	-	-	-	-	-	1,486	-	1,486	-	1,486
Translation differences	-	-	-	-	-	4	-	4	-	4
Other movements	-	-	-	-	-	-	-	0	-	0
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	-	-	-	-	-966	-	-	-966	-	-966
Deferred taxes on these items	-	-	-	-	246	-	-	246	-	246
Changes in value recognised directly in shareholders' equity	**-**	**-**	**-**	**-**	**-720**	**-**	**-**	**-720**	**-**	**-720**
Net income	-	-	-	-	-	-	-40,208	-40,208	-	-40,208
Total expenses and earnings booked	**-**	**-**	**-**	**-**	**-720**	**-**	**-40,208**	**-40,928**	**0**	**-40,928**
Capital increase	8,665	87	-87	-	-	-	-	0	-	0
Dividends	-	-	-	-	-	-23,438	-	-23,438	-	-23,438
Change in treasury stock	-	-	-	860	-	-945	-	-85	-	-85
Expenses on option plans	-	-	-	-	-	1,256	-	1,256	-	1,256
Translation differences	-	-	-	-	-	54	-	54	-	54
Other movements	-	-	-	-	-	73,434	-73,434	0	2	2
Balance at 31 March 2009	**8,819,576**	**88,196**	**8,564**	**-9,627**	**-381**	**360,342**	**-40,208**	**406,886**	**5**	**406,891**

(*): 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".

V. Notes to the condensed consolidated financial statements

Preamble

Pierre & Vacances is a French "société anonyme" with a Board of Directors, subject to all of the rules governing commercial companies in France, particularly the provisions of France's New Commercial Code and Decree 67-236 of 23 March 1967. Its registered office is at l'Artois – Espace Pont de Flandre – 11 rue de Cambrai 75019 Paris (France). It is 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.

On 26 May 2009, the Board approved the half-yearly condensed consolidated financial statements at 31 March 2009.

Note 1 – Accounting principles

1.1 – General context

The group's half-yearly condensed consolidated financial statements at 31 March 2009 have been prepared in accordance with international financial information standard IAS 34 on interim financial reporting and other IFRS standards adopted by the European Union as of 31 March 2009 (list available at http://ec.europa.eu/internal_market/accounting/ias_fr.htm).

The half-yearly condensed consolidated financial statements have been drawn up in accordance with the same rules and using the same methods as those adopted for drawing up the 2007/2008 financial statements, apart from the information given in note 1.2 and the details of standard IAS 34 concerning the calculation of tax.

The accounting principles are described in detail in the 2007/2008 annual report.

The comparability of interim and annual financial statements is affected by the seasonality of the group's tourism activities, leading to negative operating income in the 1st half of the year. This is because consolidated turnover in the 1st half of the year (winter season) is structurally weaker than that achieved in the summer season, while fixed operating expenses (including rent) are spread evenly across the year.

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 was made mandatory for the year beginning 1 October 2008 have not affected the group's consolidated financial statements for the 1st half of 2008/2009.

The new standards, interpretations and amendments applied to 2008/2009 and not anticipated in the financial statements for 2007/2008 are:

- IFRIC 12 relating to service concession agreements (applicable to years beginning on or after 1 January 2008);
- IFRIC 13 relating to customer loyalty programmes (applicable to years beginning on or after 1 July 2008);
- IFRIC 14 concerning the assets of defined-benefit schemes and minimum funding obligations (applicable to years beginning on or after 1 January 2008).

The standards, interpretations and amendments to existing standards that are not applied in advance in the attached financial statements are:

- amendments to IAS standard 23 "Borrowing costs" (applicable to years beginning on or after 1 January 2009);
- the new IFRS standard 8 "Operating segments" (applicable to years beginning on or after 1 January 2009);
- the revision to IAS standard 1 "Presentation of financial statements" (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);
- amendments to IFRS standard 2 "Payment on the basis of shares" concerning conditions of acquisition and cancellation (applicable to years beginning on or after 1 January 2009);
- amendments to standards IAS 32 and IAS 1, concernant financial instruments puttable at fair value and obligations arising on liquidation (applicable to years beginning on or after 1 January 2009);
- the amendments to IFRS standard 3 "business combination" and IAS standard 27 "Consolidated and individual financial statements" (applicable to years beginning on or after 1 January 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, in the financial statements at 30 September 2008, 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 2007 and comparative data presented have been restated.

The change in shareholders' equity published in the 2006/2007 financial statements and the financial statements for the 1st half of 2008 is as follows:

(in thousands of euros)	**31/03/2008**	**30/09/2007**
Shareholders' equity published on 31 March 2008	**378,880**	**425,321**
Of which attributable net income	*- 22,334*	*75,199*
Advertising costs	4,416	-4,416
Deferred taxes on advertising costs	-1,261	1,261
Shareholders' equity published on 31 March 2009	**378,880**	**422,166**
Of which attributable net income	*- 19,179*	*75,455*

The profit and loss account items affected by this change of method are "Purchases and external services" and "Corporate income tax".

Note 2 – Scope of consolidation

Main changes in the scope of consolidation occurring in the 1st half of 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 groups, acquired shares in the company Adagio Exploitation 1 from "Pierre & Vacances Maeva Tourisme et 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 Pierre & Vacances 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 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 scope in the 1st half of 2007/2008:

The creating, in the property development business, of 4 companies which have been consolidated following the launch of new programmes to build or refurbish residences: The Touques peninsula and the extensions at Arles, Branville and Le Rouret.

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).

SECTOR INFORMATION

Based on the group's internal organisation, 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 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

	1st half of 2008/2009				
	TOURISM		PROPERTY DEVELOPMENT	Unassigned	TOTAL
(in thousands of euros)	Pierre & Vacances Tourisme Europe	Center Parcs Europe			
Business turnover	217,280	269,113	132,886	-	619,279
Turnover between business groups	-5,521	-136	-508	-	-6,165
External turnover	**211,759**	**268,977**	**132,378**	**0**	**613,114**
Current operating income	**-37,980**	**-23,486**	**4,426**	**-**	**-57,040**
Other operating expenses and earnings	1,963	-559	-407	-	997
Operating income	**-36,017**	**-24,045**	**4,019**	**0**	**-56,043**
Amortisation expenses	-8,326	-14,034	-154	-	**-22,514**
Depreciation expenses	-	-	-	-	**0**
Tangible and intangible investments	15,420	17,693	406	722	**34,241**
Non-current assets	209,162	458,945	23,170	112,247	803,524
Current assets	187,866	68,442	475,656	55,612	787,576
Total assets	**397,028**	**527,387**	**498,826**	**167,859**	**1,591,100**
Non-current liabilities	8,096	17,353	516	259,290	285,255
Current liabilities	268,174	192,794	337,903	100,083	898,954
Total liabilities excluding shareholders' equity	**276,270**	**210,147**	**338,419**	**359,373**	**1,184,209**

(in thousands of euros)	1st half of 2007/2008				
	TOURISM (*)		PROPERTY DEVELOPMENT	Unassigned	TOTAL
	Pierre & Vacances Tourisme Europe	Center Parcs Europe			
Business turnover	226,391	280,308	113,926	-	**620,625**
Turnover between business groups	-5,852	-105	-835	-	**-6,792**
External turnover	**220,539**	**280,203**	**113,091**	**0**	**613,833**
Current operating income	**-34,911**	**-9,460**	**10,472**	**-**	**-33,899**
Other operating expenses and earnings	134	-152	187	-	169
Operating income	**-34,777**	**-9,612**	**10,659**	**0**	**-33,730**
Amortisation expenses	7812	11,983	234	-	**20,029**
Depreciation expenses	-	-	-	**-**	**-**
Tangible and intangible investments	12,138	28,281	171	529	**41,119**
Non-current assets	187,514	447,137	23,064	96,343	754,058
Current assets	169,939	71,246	304,709	104,067	649,961
Total assets	**357,453**	**518,383**	**327,773**	**200,410**	**1,404,019**
Non-current liabilities	11,062	31,019	308	197,854	240,243
Current liabilities	264,438	203,395	233,456	83,607	784,896
Total liabilities excluding shareholders' equity	**275,500**	**234,414**	**233,764**	**281,461**	**1,025,139**

(*): 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

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

(in thousands of euros)	1st half of 2008/2009			1st half of 2007/2008		
	Turnover	Intangible and tangible investments	Total assets	Turnover	Intangible and tangible investments	Total assets
France	274,403	17,539	604,347	279,482	14,634	565,221
Netherlands	131,661	8,279	174,269	143,016	8,203	179,216
Germany	31,658	1,677	24,404	32,317	2,475	20,547
Belgium	40,652	5,298	52,489	43,269	14,998	40,709
Italy	2,245	7	2,947	2,495	100	4,833
Spain	117	313	2,615	163	9	1,966
unassigned (*)	-		63,344	-	-	63,344
Tourism	**480,736**	**33,113**	**924,415**	**500,742**	**40,419**	**875,836**
France	125,099	403	464,734	108,937	171	279,919
Italy	557		4,100	4,154	-	6,327
Spain	6,722	3	29,992	-	-	41,528
Property development	**132,378**	**406**	**498,826**	**113,091**	**171**	**327,773**
Unassigned	**-**	**722**	**167,859**	**-**	**529**	**200,410**
TOTAL	**613,114**	**34,241**	**1,591,100**	**613,833**	**41,119**	**1,404,019**

(*): goodwill and the Center Parcs brand that cannot be valued separately by country

ANALYSIS OF MAIN BALANCE SHEET ITEMS

Note 5 – Goodwill

During the 1st half of 2008/2009, there was no suggestion of any risk of impairment in one of the group's cash generating units requiring an impairment test to be carried out. As stated in the accounting principles in the reference document for 2007/2008, this test will be carried out automatically on 30 September 2009.

The changes in the net balance of goodwill for the 1st half of 2008/2009 are broken down as follows:

	(in thousands of euros)
Net values on 1 October 2008	**152,133**
Increase in gross value and impact of additions to the scope	310
Disposals	-
Impairments	-
Reclassification and other changes	-458
Net values at 31 March 2009	**151,985**

The change in the gross value of goodwill for the 1st half of 2008/2009 is linked to:
- the acquisition of two businesses for €310 thousand (cf. note 2: scope of consolidation);
- the assignment of part of the La Défense 10 business, acquired on 31 july 2008, to tangible fixed assets for €458 thousand.

Net values at the end of the half-year are broken down as follows:

(in thousands of euros)	**31/03/2009**
Center Parcs Europe	63,344
Pierre & Vacances Tourisme Europe	69,014
Pierre & Vacances Promotion Immobilière	1,463
Pierre & Vacances Développement España	336
Les Senioriales	17,828
Total net value	**151,985**

Note 6 – Intangible fixed assets

(in thousands of euros)	Brands	Other intangible fixed assets	Total intangible fixed assets
At 1 October 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	21	6,338	6,359
Disposals and write-offs	-	-22	-22
Business combinations	-	-	0
Amortisation	-	-1,730	-1,730
Impairment	-	-	0
Writebacks of amortisation and impairment	-	43	43
Reclassifications	-	-	0
Total changes for the year	**21**	**4,629**	**4,650**
At 31 March 2009			
Gross values	105,845	66,051	171,896
Accumulated amortisation and depreciation	-1,508	-24,327	-25,835
Net values	**104,337**	**41,724**	**146,061**

Intangible investments by the group in the half-year amounted to €6,359 thousand. It mainly consisted of investment in the development of computer systems, particularly to improve reservation tools (€3,975 thousand).

Note 7 – Tangible fixed assets

(in thousands of euros)	Land	Buildings	Fixtures and fittings	Other tangible assets and work in progress	Total tangible fixed assets
At 1 October 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	197	500	7,178	20,007	27,882
Disposals and write-offs	-90	-287	-3,975	-12,128	-16,480
Business combinations	-	-	13	141	154
Amortisation		-3,192	-11,239	-6,409	-20,840
Impairment	-	-	-	-	0
Writebacks of amortisation and impairment	11	244	3,930	6,153	10,338
Reclassifications	-9	407	723	-501	620
Total changes for the year	**109**	**-2,328**	**-3,370**	**7,263**	**1,674**
At 31 March 2009					
Gross values	16,351	201,221	226,419	170,957	614,648
Accumulated amortisation and depreciation	-949	-37,243	-89,144	-89,958	-217,294
Net values	**15,402**	**163,978**	**137,275**	**80,999**	**397,654**

The net value of tangible fixed assets increased by €1,674 thousand. This change was mainly down to the following:

- a reduction in net fixed assets of €1,582 thousand of the **Center Parcs Europe business** due:
  - to investment of €16,196 thousand, including:
    - €13,856 thousand for improving the product mix of all the villages, including €5,885 thousand for the Netherlands villages, €3,968 thousand for the Belgian villages, €2,299 thousand for the French villages and €1,704 thousand for the German villages,
    - €1,107 thousand on refurbishment work financed by property owner, including €453 thousand for the Oostduinkerke village and €397 thousand for the De Haan village;
  - to previously agreed sales of the above refurbishment work for €4,793 thousand, including €2,032 thousand for the De Haan property and €1,816 thousand for that of Oostduinkerke;
  - to write-offs of equipment for the running of the Sunparks villages, the net book value of which was zero;
  - to amortisation for the period of €12,985 thousand;

- an increase in net fixed assets of the **Pierre & Vacances Tourisme Europe division** of €3,642 thousand resulting, in particular, from:
  - investment of €11,387 thousand, including €10,945 thousand for the refurbishment and modernisation of the property run, in particular the Cap Esterel site (€5,410 thousand);
  - sales of fixtures and fittings associated with running the tourism business at a net book value of €1,349 thousand;
  - amortisations for the period to the value of €7,275 thousand.

Lease financing contracts:

The group's tangible fixed assets include assets held on lease financing contracts with a net value, at 31 March 2009, of €150,969 thousand.

This amount mainly included:

- the central facilities of the Domaine Center Parcs du Lac d'Ailette village for €146,481 thousand;
- the overhaul of the stock of televisions in the residences operated by Pierre & Vacances Tourisme Europe for €3,981 thousand.

The change over the period corresponds to asset depreciation.

Corresponding long-term debt is €122,116 thousand at 31 March 2009, including €116,715 thousand for the Domaine Center Parcs du Lac d'Ailette village (cf. note 17 "Bank borrowings").

Note 8 – Non-current financial assets

(in thousands of euros)	Non-consolidated short-term investments	Related receivables	Loans and other financial assets	Total financial assets
At 1 October 2008				
Gross values	9,282	14	27,351	36,647
Accumulated depreciation	-	-	-277	-277
Net values	**9,282**	**14**	**27,074**	**36,370**
Changes				
Change in scope	-	-	-	0
Acquisitions	19	-	3,140	3,159
Disposals	-	-	-503	-503
Impairment	-	-	-	0
Provisions	-	-	-	0
Impairment writebacks	-	-	-	0
Writebacks of provisions	-	-	-	0
Total changes for the year	**19**	**0**	**2,635**	**2,654**
At 31 March 2009				
Gross values	9,301	14	29,986	39,301
Accumulated depreciation	-	-	-277	-277
Net values	**9,301**	**14**	**29,709**	**39,024**

Over the course of the half-year, non-current financial assets increased by €2,654 thousand. This change is linked to the deposit of €1,608 thousand when credit was provided for the new Paris Bastille programme.

Note 9 – Inventories and work in progress

(in thousands of euros)	31/03/2009	30/09/2008	31/03/2008
Work in progress	116,739	76,614	72,579
Finished products	48,349	36,067	25,739
Gross property development programmes	165,088	112,681	98,318
Provisions	-2,328	-2,330	-4,025
Net property development programmes	**162,760**	**110,351**	**94,293**
Other inventories	11,454	11,564	13,285
Total	**174,214**	**121,915**	**107,578**

The net value of inventories increased by €52,299 thousand over the first half of 2008/2009. The following note describes the change in gross value of stocks by property development programme.

Note 10 – Contribution of property development programmes to the gross value of inventories

(in thousands of euros)	30/09/2008	Increases	Reductions	31/03/2009
Paris Bastille	**398**	35,642	-9,791	**26,249**
Manilva	**26,214**	-	-2,852	**23,362**
Bois des Harcholins Equipement	**6,953**	15,510	-	**22,463**
Bois des Harcholins Cottages	**8,953**	44,568	-31,482	**22,039**
Les Senioriales – Côte d'Azur	**4,607**	2,558	-1,380	**5,785**
Adagio La Défense	**8,421**	-	-2,869	**5,552**
Le Pouliguen	**5,787**	-	-731	**5,056**
Cala Rossa	**4,976**	-	-222	**4,754**
Les Senioriales – Ruoms	**2,244**	3,169	-1,357	**4,056**
Les Senioriales – Jonquières	**257**	3,720	-49	**3,928**
Avoriaz Résidences MGM	**2,415**	1,200	-	**3,615**
Les Senioriales – Bergerac	**2,128**	3,132	-1,924	**3,336**
Bois des Harcholins Foncière	**3,205**	-	-	**3,205**
Danestal (Extension Branville)	**2,809**	166	-	**2,975**
Cap d'Agde Rochelongue	**2,579**	610	-637	**2,552**
Bois des Harcholins Village	**1,554**	492	-	**2,046**
Les Senioriales – Cévennes	**1,142**	2,917	-1,826	**2,233**
Les Senioriales – Salles sur Mer	**2,150**	1,462	-1,593	**2,019**
Avoriaz P&V Loisirs	**1,304**	642	-	**1,946**
Courchevel	**1,493**	10	-	**1,503**
Les Senioriales – Landes	**1,565**	44	-378	**1,231**
Hauts de Bruyères Loisirs	**131**	7,762	-7,108	**785**
Les Senioriales – Carcassone	**960**	6	-187	**779**
Val Thorens Machu	**2,423**	-	-1,763	**660**
Houlgate	**1,513**	3,987	-4,845	**655**
Les Senioriales – Camargue	**1,136**	86	-583	**639**
Les Senioriales – Saleilles	**121**	1,204	-762	**563**
Port Aventura	**3,544**	-	-3,167	**377**
Le Rouret Tourisme Développement	**881**	1,562	-2,075	**368**
Belle Dune	**957**	3,345	-3,992	**310**
Branville	**327**	4,625	-4,744	**208**
Cannes Villa Francia – Ingres	**1,722**	-	-1,722	**0**
Other property development programmes	**7,812**	5,558	-3,531	**9,839**
Property development sub-total	**112,681**	**143,977**	**-91,570**	**165,088**

The gross value of work in progress and finished products of property development programmes rose by **€52,407 thousand** over the first half of 2008/2009. This change was the result of:

- increases mainly caused by:

- acquisitions, for €37,295 thousand, of land and buildings of residences during the half-year for the refurbishment of the common areas and the accommodation units (Paris Bastille for €33,500 thousand), and land for new construction programmes (Jonquières land for €3,180 thousand);

- work carried out over the half-year on new programmes or refurbishment increasing the gross value of inventories by €106,682 thousand, in particular Bois des Harcholins (€60,570 thousand), Les Hauts de Bruyères (€7,762 thousand), Branville (€4,625 thousand), Houlgate (€3,987 thousand), Belle Dune (€3,345 thousand), Les Senioriales - Ruoms (€3,169 thousand) and Les Senioriales – Bergerac (€3,132 thousand).

- €91,570 thousand reductions relating to reporting on the percentage completion method of income from new build or refurbishment programmes, including Bois des Harcholins Cottages (€31,482 thousand), Les Hauts de Bruyères (€7,108 thousand), Houlgate (€4,845 thousand) and Branville (€4,744 thousand).

Note 11 - Trade receivables and related accounts

(in thousands of euros)	31/03/2009	30/09/2008	31/03/2008
Property development	250,712	315,987	135,913
Tourism	79,321	79,552	86,108
Services	1,357	859	787
Gross trade receivables	**331,390**	**396,398**	**222,808**
Property development	-557	-610	-243
Tourism	-7,508	-6,425	-5,761
Services	-33	-35	-
Provisions	**-8,098**	**-7,070**	**-6,004**
Total	**323,292**	**389,328**	**216,804**

The net value of trade receivables fell by **€66,036 thousand** as a result of the property development business.

This fall was mainly due to sums received as work progressed, mainly in respect of the following programmes: Bois des Harcholins Cottages, Houlgate, Les Hauts de Bruyères and Belle Dune.

Note 12 – Other current assets

(in thousands of euros)	31/03/2009	30/09/2008	31/03/2008
Advances and downpayments	5,776	7,303	7,943
Current accounts	8,832	10,758	9,523
Statements – taxes	102,437	93,947	99,913
"Ownership & Holidays" loans	12,142	13,361	5,486
Other receivables	50,128	45,586	44,683
Hedging instruments	0	423	417
Gross values	**179,315**	**171,378**	**167,965**
Provisions	-1,091	-991	-992
Other net debtors	**178,224**	**170,387**	**166,973**
Marketing fees and publicity - Tourism	342	318	44
Marketing fees and publicity - Property Development	26,178	31,007	25,722
Rent	28,765	25,149	28,537
Sundry prepayments	16,945	10,923	15,811
Prepayments	**72,230**	**67,397**	**70,114**
Total	**250,454**	**237,784**	**237,087**

Other current assets increased by €12,670 thousand. This change was mainly due to:

- a €4,542 thousand increase in "Other receivables" partly linked to the cross-charging of co-ownership expenses to owners of cottages at the Domaine Center Parcs du lac d'Ailette village;
- a €6,022 thousand increase in "Sundry prepayments" resulting from refurbishment work carried out by the Pierre & Vacances Tourisme Europe division but not yet completed at 31 March 2009;
- an €8,490 thousand increase in tax receivables caused by the increase in VAT receivables in the property development business associated with new developments;
- a €4,829 thousand decrease in "Prepayments - marketing fees and publicity - property development" following the sale of property inventories in programmes such as Branville, Houlgate and Bois des Harcholins Cottages.

Note 13 – Notes on the cash flow statement

13.1 – 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 periods presented, as shown on the consolidated cash flow statement, is broken down as follows:

(in thousands of euros)	1st half-year 2008/2009	1st half-year 2007/2008	2007/2008
Acquisitions			
SAS Serana	13	-	-
Goodwill of Adagio La Défense	-	-	-3,680
Subtotal of subsidiary acquisitions	**13**	**0**	**-3,680**
Disposals			
SAS Adagio exploitation 1	1,449	-	-
Subtotal of subsidiary disposals	**1,449**	**0**	**0**
TOTAL	**1,462**	**0**	**-3,680**

Net cash assigned to the acquisition and disposal of subsidiaries generated an excess of €1,462 thousand for the 1st half of 2008/2009. It corresponds to the Adagio transactions, in other words the acquisition of "Serana" shares, less the positive cash flow, and the disposal of "Adagio exploitation 1" shares. (Cf. note 2: scope of consolidation).

Net cash assigned to the acquisition and disposal of subsidiaries generated a requirement of €3,680 thousand for 2007/2008. It included the payment relating to the acquisition of the goodwill of a residence at La Défense.

13.2 – Net cash flow

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

(In thousands of euros)	31/03/2009	30/09/2008	31/03/2008
Cash	32,949	84,168	33,800
Cash equivalents	6,667	83,127	13,294
Credit bank balances	-24,414	-2,650	-23,046
Net cash flow	**15,202**	**164,645**	**24,048**

The change in cash flow recorded over the 1st half of 2008/2009 is mainly down to the seasonal nature of tourism activities and the rebuilding of property inventories.

Note 14 – Group shareholders' equity

Capital and additional paid-in capital

The share capital on 31 March 2009 stood at €88,195,760 and was divided into 8,819,576 fully paid-up ordinary shares with a par value of €10 each. During the half-year ending 31 March 2009, the weighted average number of ordinary shares in circulation was 8,668,567.

Potential capital: options to subscribe for shares

The potential capital and its movements during 2008/2009 are detailed in the table below:

		30/09/2008		Movements for the year – Options allocated		Movements for the year – Options exercised		Movements for the year – Options cancelled		31/03/2009	
Options to subscribe for shares allocated by the Board of Directors of:	**Strike price (in euros)**	**Number (*)**	**Impact on shareholders' equity (in thousands of euros)**	**Number**	**Impact on shareholders' equity (in thousands of euros)**	**Number**	**Impact on shareholders' equity (in thousands of euros)**	**Number**	**Impact on shareholders' equity (in thousands of euros)**	**Number (*)**	**Impact on shareholders' equity (in thousands of euros)**
20/03/00	47.00	2,317	108	-	-	-	-	-	-	2,317	108
11/04/03	44.00	5,000	220	-	-	-	-	-	-	5,000	220
03/11/03	63.83	7,150	456	-	-	-	-	-	-	7,150	456
07/09/04	66.09	132,588	8,763	-	-	-	-	-8,800	-582	123,788	8,181
26/09/05	59.89	1,000	60	-	-	-	-	-	-	1,000	60
09/01/07	0.00	11,035	0	-	-	-8,665	0	-2,370	0	0	0
08/01/08	0.00	13,010	0	-	-	-	-	-	-	13,010	0
12/01/09	0.00	-	-	84,135	0	-	-	-	-	84,135	0
12/02/09	0.00	-	-	3,325	0	-	-	-	-	3,325	0
12/02/09	0.00	-	-	6,575	0	-	-	-	-	6,575	0
Total		**172,100**	**9,607**	**94,035**	**0**	**- 8,665**	**0**	**-11,170**	**-582**	**246,300**	**9,025**
of which number of exercisable options		*147,055*									*138,255*

(*): valid on the date indicated.

During the 1st half-year ending 31 March 2009, the weighted average number of ordinary and dilutive shares was 8,734,605.

Acquisitions of own shares:

At 31 March 2009, the group held 138,179 of its own shares at a total value of €9,627 thousand.

Distribution of dividends:

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.

Note 15 – Minority interests

(in thousands of euros)	31/03/2009	30/09/2008	31/03/2008
Minority interests at 1 October	**3**	**-33**	**-33**
Change in scope	2	36	36
Dividends paid/Appropriation of income	-	-	-
Income for the year	-	-	-
Minority interests	**5**	**3**	**3**

Note 16 – Provisions for contingencies and charges

(in thousands of euros)	30/09/2008	Allocations	Writebacks used	Writebacks not used	Reclass.	31/03/2009
Refurbishment	24,805	3,101	-6,277	-	-	21,629
Pension commitments	11,598	755	-727	-	-	11,626
Provisions for disputes	2,571	174	-238	-	-	2,507
Other provisions	12,015	1,206	-3,067	-433	-	9,721
Total	**50,989**	**5,236**	**-10,309**	**-433**	**0**	**45,483**
Non-current portion	*28,283*					*27,367*
Current portion	*22,706*					*18,116*

(in thousands of euros)	31/03/2009	30/09/2008	31/03/2008
Refurbishment	16,112	17,263	33,970
Pension commitments	10,272	10,244	9,237
Other provisions	982	776	375
Non-current provisions	**27,366**	**28,283**	**43,582**
Refurbishment	5,517	7,542	3,913
Pension commitments	1,354	1,354	2,207
Provisions for disputes	2,507	2,571	1,258
Other provisions	8,738	11,239	3,419
Current provisions	**18,116**	**22,706**	**10,797**
Total	**45,482**	**50,989**	**54,379**

In the 1st half of 2008/2009, the net fall in provisions for contingencies and charges was €5,507 thousand and was mainly caused by:

- a net writeback of €3,176 thousand in provisions for refurbishment, including €1,851 thousand in the Center Parcs Europe division and €1,325 thousand in the Pierre & Vacances Tourisme Europe division. These provisions correspond to contractual obligations to maintain leased residences and villages for 9 years and are calculated on the basis of provisional costs of refurbishment. These provisions were updated on 31 March 2009;
- a net writeback of €2,191 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.

Note 17 – Bank borrowings

Breakdown by type and business sector:

(in thousands of euros)	31/03/2009	30/09/2008	31/03/2008
Long-term borrowings			
Bank borrowings	**37,990**	**48,600**	**57,853**
. Tourism	*37,015*	*46,250*	*55,500*
. Property development	*975*	*2,350*	*2,353*
Bridging loans	**78,122**	**31,674**	**15,244**
. Property development	*78,122*	*31,674*	*15,244*
Lease financing contracts	**119,330**	**122,155**	**121,944**
. Tourism	*119,330*	*122,155*	*121,944*
. Property development	-	-	-
Other bank borrowings	**2,505**	**1,573**	**1,620**
. Tourism	*1,353*	*418*	*463*
. Property development	*1,152*	*1,155*	*1,157*
Long-term sub-total	***237,947***	***204,002***	***196,661***
. of which Tourism	***157,698***	***168,823***	***177,907***
. of which Property development	***80,249***	***35,179***	***18,754***
Short-term borrowings			
Bank borrowings	**21,598**	**21,317**	**21,185**
. Tourism	*18,423*	*18,135*	*18,101*
. Property development	*3,175*	*3,182*	*3,084*
Bridging loans	**14,618**	**19,617**	**6,883**
. Property development	*14,618*	*19,617*	*6,883*
Lease financing contracts	**2,786**	**1,250**	**599**
. Tourism	*2,786*	*1,250*	*599*
. Property development	-	-	-
Other bank borrowings	**534**	**1,294**	**1,653**
. Tourism	*413*	*1,206*	*1,636*
. Property development	*121*	*88*	*17*
Credit bank balances	**24,414**	**2,650**	**23,046**
. Tourism	*23,685*	*2,337*	*14,945*
. Property development	*729*	*313*	*8,101*
Short-term sub-total	***63,950***	***46,128***	***53,366***
. of which Tourism	***45,307***	***22,928***	***35,281***
. of which Property development	***18,643***	***23,200***	***18,085***
Total	**301,897**	**250,130**	**250,027**
. of which Tourism	***203,005***	***191,751***	***213,188***
. of which Property development	***98,892***	***58,379***	***36,839***

The change in borrowing from banks mainly corresponded to the following at 31 March 2009:

Tourism business:

- half-yearly amortisation (€9,250 thousand) of the "Corporate" loan taken out by the group for its external growth operations. At 31 March 2009, the loan outstanding was €55,500 thousand, broken down as follows:

  – €42,840 thousand to purchase the additional 50% of Center Parcs Europe;
  – €12,660 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 half-yearly repayment of the principal of €9,250 thousand.

  Covenants on this "Corporate" loan have been renegociated with the banks to give the Group greater financial leeway. Since 8 April 2009, 2 ratios have been followed:
  – Ratio 1: Net loan restated / EBITDAR. Ratio 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 S&P. This ratio has to remain below 5.5;
  – Ratio 2: Net loan / EBITDA. This ratio has to be below 1.75.

  Margins, on the other hand, will be increased to 1.75% (compared to 0.70% beforehand).

Property development business:

- changes in bridging loans (€41,449 thousand) for financing property development programmes, including mainly the Bois des Harcholins Cottages and Paris Bastille programmes.

Furthermore, at 31 March 2009, the Pierre & Vacances Group had the benefit of a confirmed line of credit (not used to date) of €90 million for which the maturity date has been extended to 26 March 2012.

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

(in thousands of euros)	31/03/2009	30/09/2008	31/03/2008
Domaine du Lac d'Ailette village	116,715 (*)	117,404	118,043
Center Parcs Europe	127 (**)	176	247
Sunparks	293 (***)	370	451
PVMTE	4,981 (****)	5,455	3,802
Total	**122,116**	**123,405**	**122,543**

(*): the underlying net asset (€146,481 thousand at 31 March 2009) is recorded in tangible fixed assets.
(**): the underlying net asset (€221 thousand at 31 March 2009) is recorded in tangible fixed assets.
(***): the underlying net asset (€288 thousand at 31 March 2009) is recorded in tangible fixed assets.
(****): the underlying net asset (€3,981 thousand at 31 March 2009) is recorded in tangible fixed assets.

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

Maturities	Balance (in thousands of euros) at		
	31/03/2009	30/09/2008	31/03/2008
Year N+ 1	63,950	46,128	53,366
Year N+ 2	100,060	54,209	37,322
Year N+ 3	21,630	21,771	21,576
Year N+ 4	2,965	12,299	21,143
Year N+ 5	4,510	3,872	3,560
Year > N+ 5	(*) 108,782	111,851	113,060
Total	**301,897**	**250,130**	**250,027**

(*): including €108,294 thousand for the lease financing contracts.

Security:

(in thousands of euros)	31/03/2009	30/09/2008	31/03/2008
Guarantees	257,883	287,182	267,156
Mortgages	5,583	8,917	7,554
Total	**263,466**	**296,099**	**274,710**

The security provided by the group to guarantee its bank loans fall by €32,633 thousand. This change is mainly down to the following:

- the €7,854 thousand reduction in first-call guarantees granted by Pierre & Vacances SA to banks for financing the "Corporate" loan (this fall was linked to the half-yearly repayment of this loan);
- the €1,113 thousand reduction in the amortisable first-call guarantee granted to the bank with which it took out the lease finance agreement for the Domaine du Lac d’Ailette village facilities;
- the €23,666 thousand reduction in security provided for bridging loans for property development programmes. This change was mainly down to the entry into effect of the financial completion guarantee for the Bois des Harcholins Cottages programme (€-30,524 thousand).

Note 18 – Hedging instruments

The financial instruments contracted by the Pierre & Vacances Group at 31 March 2009 are exclusively for the management of interest rate risk. 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 had taken out swaps with leading banks at 31 March 2009.

At 31 March 2009, the notional amounts and market values of the swap contracts taken out to cover variable rate loans were as follows:

Lender rate	Borrower rate	Notional at 31/03/2009 (in thousands of euros)	Market value of hedging contracts (in thousands of euros)	Starting date	Date of maturity
6-month Euribor	3.8675%	18,500	-198	26 Sept 2007	26 Sept 2009
6-month Euribor	3.7200%	10,000	-207	26 March 2008	26 March 2010
6-month Euribor	3.6850%	0 (*)	-138	28 Sept 2009	26 March 2010
TOTAL		**28,500**	**-543**		

(*) The notional amount will be €13,125 thousand over the period from 28 September 2009 to 26 March 2010.

The market value of the hedging instruments was €-543 thousand at 31 March 2009, compared with €+423 thousand at 30 September 2008.

Note 19 – Trade payables and related accounts

(in thousands of euros)	31/03/2009	30/09/2008	31/03/2008
Tourism	158,592	187,066	152,453
Property development	69,555	78,504	78,292
Services	5,573	7,104	5,200
Total	**233,720**	**272,674**	**235,945**

Over the 1st half of 2008/2009, the item "Trade payables and related accounts" fell by **€38,954 thousand**. This reduction mainly concerned the tourism division and reflects the seasonality of this activity.

Note 20 – Other current liabilities

(in thousands of euros)	31/03/2009	30/09/2008	31/03/2008
Downpayments from clients	110,741	84,371	134,499
VAT and other taxes payable	60,470	84,477	47,283
Wages and social security commitments	66,912	83,460	84,822
Hedging instruments	1,092	709	903
Other payables	84,697	80,302	73,221
Other operating liabilities	**323,912**	**333,319**	**340,728**
Property sales and support funds	248,842	276,032	131,164
Other deferred income	10,414	15,158	12,896
Deferred income	**259,256**	**291,190**	**144,060**
Total	**583,168**	**624,509**	**484,788**

The **€41,341 thousand** fall in other operating liabilities was caused by:

- the €24,007 thousand reduction in the item "VAT and other taxes payable" partly due to the rate of progress of work at the Domaine Center Parcs du Bois des Harcholins (€11,169 thousand);

- the €16,548 thousand reduction in the item "Wages and social security commitments" caused by the introduction of the plan to provide greater synergy between Pierre et Vacances Europe and Center Parcs Europe;

- the reduction in deferred income linked to the rate of progress with programmes, greater than on 30 September 2008;

- the €26,370 thousand increase in the item "Downpayments received from clients on orders". These downpayments correspond to deposits received from tourism clients when reserving holidays.

BREAKDOWN OF THE MAIN PROFIT AND LOSS ACCOUNT ITEMS

Note 21 – Purchases and external services

(in thousands of euros)	1st half-year 2008/2009	1st half-year 2007/2008 (*)	2007/2008
Tourism cost of goods sold	-40,242	-44,640	-94,804
Property development cost of inventories sold	-84,908	-62,146	-131,726
Owner leases and other co-ownership expenses	-178,295	-167,586	-340,737
Subcontracted services (laundry, catering, cleaning)	-14,702	-18,204	-38,375
Advertising and fees	-56,846	-62,238	-124,427
Other	-94,607	-92,542	-186,850
Total	**-469,600**	**-447,356**	**-916,919**

(*): 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 €22,244 thousand increase in purchases and external services is mainly down to the group's property development business, with major programmes such as the future Center Parcs du Bois des Harcholins, Paris Bastille, and the Avoriaz extensions.

Note 22 – Personnel expenses

(in thousands of euros)	1st half-year 2008/2009	1st half-year 2007/2008	2007/2008
Salaries and social security expenses	-170,334	-172,868	-343,436
Cost of defined-contribution and defined-benefit schemes	293	435	430
Option plan expenses	-1,256	-1,317	-2,803
Total	**-171,297**	**-173,750**	**-345,809**

The reduction in the item "Personnel expenses" compared to 31 March 2008 was mainly caused by the introduction of the plan to provide greater synergy between Pierre & Vacances Tourisme Europe and Center Parcs Europe;

Note 23 – Amortisation and provisions

(in thousands of euros)	1st half-year 2008/2009	1st half-year 2007/2008	2007/2008
Amortisation	-22,514	-20,033	-41,271
Provisions	-6,605	-4,781	-5,155
Total	**-29,119**	**-24,814**	**-46,426**

Note 24 – Current items

(in thousands of euros)	1st half-year 2008/2009	1st half-year 2007/2008	2007/2008
Taxes	-5,312	-1,281	-5,813
Other operating expenses	-11,168	-11,828	-23,482
Other operating earnings	16,342	11,297	17,487
Total	**- 138**	**-1,812**	**-11,808**

Note 25 – Other operating expenses and earnings

(in thousands of euros)	1st half-year 2008/2009	1st half-year 2007/2008	2007/2008
Income from disposals	1,364	158	981
Restructuring costs	-3,140	-505	-3,862
Provisions for restructuring	2,773	516	-2,477
Depreciation of non-current assets	-	-	-
Total	**997**	**169**	**-5,358**

"Other operating expenses and earnings" at 31 March 2009 mainly included:

- the balancing cash adjustment of €1,450 thousand on contributions to the Adagio joint venture (cf. note 2 "Scope of consolidation");
- €367 thousand restructuring costs net of writeback for provision relating to the introduction of the plan to provide greater synergy between Pierre & Vacances Tourisme Europe and Center Parcs Europe.

"Other operating expenses and earnings" in the 1st half of 2007/2008 mainly included the disposal of the Grimaud hotel.

Note 26 – Financial income

(in thousands of euros)	1st half-year 2008/2009	1st half-year 2007/2008	2007/2008
Gross cost of borrowings	-8,118	-7,140	-15,234
Earnings from cash and cash equivalents	1,600	1,956	4,060
Net cost of borrowings	**-6,518**	**-5,184**	**-11,174**
Income on loans	1,367	637	756
Other financial income	3	133	189
Other financial expenses	-1,402	-253	-578
Other financial income and expenses	**-32**	**517**	**367**
Total	**-6,550**	**-4,667**	**-10,807**
Total financial expenses	*-9,520*	*-7,393*	*-15,812*
Total financial income	*2,970*	*2,726*	*5,005*

Financial income for the 1st half of 2008/2009 mainly includes the cost of the lease financing contract relating to the central facilities of Center Parcs du Domaine du Lac d'Ailette Village (€3,827 thousand), the costs of bank loans taken out by the group to finance the acquisition of Center Parcs Europe and Gran Dorado (€2,630 thousand) and the effect of de-actualising provisions for refurbishments (€936 thousand).

Note 27 – Corporate income tax and deferred taxes

Deferred tax assets are recorded on the basis of future profit forecasts.

The tax saving relating to the half-yearly financial statements has been calculated:

- on the one hand by applying to operating income and to financial income for the period the average effective rate estimated for the whole financial year (12-month period). This effective rate is determined for each tax consolidation subgroup. It is applied to the half-yearly pre-tax income of each of these subgroups. Thus, the tax calculated on income in the 1st half of 2008/2009 shows a tax saving of €19,038 thousand;

- on the other hand, tax relating to one-off transactions in the period amounting to €3,347 thousand in the 1st half of 2008/2009.

The tax saving booked for the 1st half of 2007/2008 was €19,218 thousand.

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 Group's legal and tax advisers do not anticipate any financial risk relating to this notification. This matter is nevertheless being discussed by the Pierre et Vacances Group and the tax authorities.

Note 28 – Earnings per share

Average number of shares:

	1st half-year 2008/2009	**1st half-year 2007/2008**	**2007/2008**
Number of shares issued at 1 October	8,810,911	8,810,911	8,810,911
Number of shares issued during the period	8,665	-	-
Number of shares issued at the end of the period	**8,819,576**	**8,810,911**	**8,810,911**
Weighted average number of shares	8,668,567	8,715,915	8,694,516
Weighted average number of potential shares	8,734,605	8,791,838	8,755,951

The various equity instruments included in calculating the weighted average number of potential shares are:

Number of share subscription options (OSAs) and purchase options (OAAs) awarded by the Board of Directors:	Type	Strike price (in euros)	1st half-year 2008/2009	1st half-year 2007/2008	2007/2008
on 18/12/98 and still valid	OSA	15.24	-	-	-
on 20/03/00 and still valid	OSA	47.00	-	2,317	2,317
on 11/04/03 and still valid	OSA	44.00	-	5,000	5,000
on 03/11/03 and still valid	OSA	63.83	-	7,150	7,150
on 07/09/04 and still valid	OSA	66.09	-	133,588	132,588
on 26/09/05 and still valid	OSA	59.89	-	1,000	1,000
on 26/09/05 and still valid	OAA	59.89	-	26,000	26,000
on 21/07/06 and still valid	OAA	80.12	-	12,500	-
on 09/01/07 and still valid	OAA	87.40	-	46,875	-
on 09/01/07 and still valid	OAA	-	-	16,010	16,010
on 09/01/07 and still valid	OSA	-	-	11,035	11,035
on 07/01/08 and still valid	OAA	86.10	-	38,375	-
on 07/01/08 and still valid	OSA	-	13,010	13,010	13,010
on 12/01/09 and still valid	OAA	39.35	5,000	-	-
on 12/01/09 and still valid	OAA	-	84,135	-	-
on 12/02/09 and still valid	OAA	-	3,325	-	-
on 12/02/09 and still valid	OAA	-	6,575	-	-
			112,045	**312,860**	**214,110**

Earnings per share:

	1st half-year 2008/2009		1st half-year 2007/2008		2007/2008
Net attributable income (in thousands of euros)	-40,208		-19,179		73,434
Weighted net attributable income per share (in euros)	-4.64		-2.20		8.45
Weighted net attributable income per share after dilution (in euros)	-4.64	(*)	-2.20	(*)	8.39

(*): The conversion of potential ordinary shares into ordinary shares would reduce the loss per share. As a result, according to IAS 33, diluted income per share is equal to basic income per share at the end of the half-year period.

OTHER INFORMATION

Note 29 – Off-balance sheet commitments

The security provided by the group to guarantee its bank loans and reciprocal commitments are detailed respectively in Note 17 "Bank borrowings" and Note 18 "Hedging instruments". They are therefore not included in the table below:

(in thousands of euros)	31/03/2009	30/09/2008	31/03/2008
Guarantees	7,638	8,616	9,762
Rental commitments	2,163,650	2,155,154	2,104,038
Commitments given	**2,171,288**	**2,163,770**	**2,113,800**
Guarantees	40,457	27,332	26,619
Completion guarantees	125,107	138,244	67,913
Commitments received	**165,564**	**165,576**	**94,532**

Commitments given:

Commitments given increased by €7,518 thousand during the course of the 1st half of 2008/2009. This change was the result of:

- the €8,496 thousand increase in rental commitments. When the land and buildings of the residences, hotels and villages operated by the Pierre & Vacances Group's tourism companies are sold, a lease is signed with the new owners. At 31 March 2009, the rent remaining to be paid by the group over the residual term of these leases amounted to €2,164 million. The present value of these rental commitments, calculated using a 10.0% discount rate, stood at €1,336 million on 31 March 2009;
- the €1,816 thousand increase in commitments given by the Center Parcs Europe division;
- the reduction in guarantees (€2,194 thousand) resulting from repayments made over the period relating to the securitisation of receivables arising from sales made under the "Ownership & Holidays" scheme;

Commitments received:

Overall, commitments received remained stable over the period at €165,564 thousand. However, the type of commitments has changed. For example:

- **Guarantees** increased by €13,125 thousand, particularly as a result of the banks granting payment guarantees to contractors carrying out construction work at Domaine Center Parcs du Bois des Harcholins. These commitments amounted to €16,335 thousand.
  Commitments given by banks to 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 remained stable over the period. At 31 March 2009, these commitments amounted to €22,387 thousand.
- **Completion guarantees** fell by €13,137 thousand. These guarantees are provided by banks for property development operations and changes therein over the half-year period was the result:

- of a total increase of €4,315 thousand for the provision during the half-year period of a new guarantee for the Les Senioriales – Lombez programme.
- of a total decrease of €17,452 thousand caused by:
  - the €12,866 thousand reduction in guarantees, particularly for the Branville (€5,614 thousand), Les Senioriales – Cévennes (€3,099 thousand), Les Senioriales – Côte d'Azur (€1,753 thousand), Les Senioriales – Ruoms (€1,414 thousand) and les Senioriales – Bergerac (€986 thousand) programmes,
  - the expiry of several guarantees of the half-year period: €4,586 thousand, mainly including Les Hauts de Bruyères (€1,700 thousand), Le Pouliguen (€1,039 thousand) and Coudalère (€789 thousand).

Note 30 – Transactions with related parties

The related parties used by the group are:

- the members of senior management and executive bodies;

- 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, the Adagio subgroup and SNC N.L.D.

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)	1st half-year 2008/2009	1st half-year 2007/2008	2007/2008
Turnover	2,719	2,533	5,536
Purchases and external services	-6,035	-6,626	-14,269
Current items	787	929	1,583
Financial income	1,001	313	198

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

(in thousands of euros)	31/03/2009	30/09/2008	31/03/2008
Trade receivables and related accounts	4,765	5,154	2,755
Other current assets	22,536	22,329	18,086
Trade payables and related accounts	3,924	8,119	3,734
Other current liabilities	27,006	15,847	21,483

Note 31 – Information relating to joint venture companies

The companies over which the group exercises joint control and are consolidated by the proportional method were as follows at 31 March 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%);
- Adagio subgroup (50%);
- SNC N.L.D. (50%).

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)	31/03/2009	30/09/2008	31/03/2008
Non-current assets	4,921	4,323	380
Current assets	48,252	48,642	46,058
Total assets	**53,173**	**52,965**	**46,438**
Non-current liabilities	261	108	98
Current liabilities	35,088	33,569	31,567
Total liabilities excluding shareholders' equity	**35,349**	**33,677**	**31,665**

Information on the profit and loss account:

(in thousands of euros)	1st half-year 2008/2009	1st half-year 2007/2008	2007/2008
Turnover	13,906	4,748	11,196
Current operating income	845	627	1,321
Net income	836	731	546

III. REPORT OF THE STATUTORY AUDITORS ON THE HALF-YEARLY INFORMATION...

Report of the statutory auditors on the 2008/2009 half-yearly financial information

Dear Shareholders,

In our capacity as statutory auditors and in accordance with Article L. 232-7 of the French Commercial Code and Article L. 451-1-2 III of the French Monetary and Financial Code, we have:

- carried out a limited audit of the condensed consolidated half-yearly financial statements of the company Pierre & Vacances SA relating to the period between 1 October 2008 and 31 March 2009, as attached to this report;
- verified the information given in the half-yearly business report.

These condensed consolidated half-yearly financial statements have been drawn up under the responsibility of the Board of Directors. Our role is to express an opinion on these financial statements based on our limited audit.

1. Findings in relation to the financial statements

We carried out our limited audit according to professional standards applicable in France. A limited audit essentially involves speaking to members of the management in charge of certain aspects of accounting and finance and carrying out analytical procedures. This work is less extensive than that required for a full audit carried out in accordance with professional standards applicable in France. As a result, the assurance given following a limited audit that the financial statements, as a whole, do not contain any significant anomalies is a moderate assurance that is not as full as that obtained following a full audit.

On the basis of our limited audit, we have not found any significant anomalies that may bring into question compliance of the condensed consolidated half-yearly financial statements with IAS 34, the standard of the IFRS reference documents as adopted in the European Union on interim financial reporting.

2. Specific verification

We have also verified the information given in the half-yearly business report commenting on the condensed consolidated half-yearly financial statements to which our limited audit related.

We have no observations to make on its fairness and conformity with the condensed consolidated financial statements. Paris and Neuilly-sur-Seine, 28 May 2009

The Statutory Auditors

A.A.C.E. ILE DE France	ERNST & YOUNG et Autres
Michel Riguelle	Bruno Bizet

IV. ATTESTATION OF THE PERSON RESPONSIBLE FOR THE HALF-YEARLY FINANCIAL REPORT

I hereby attest that, to the best of my knowledge, the condensed financial statements for the half-yearly period ended have been drawn up in accordance with applicable accounting standards and give a true picture of the assets, finances and income of the company and all of the undertakings consolidated, and that the half-yearly business report (attached, see pages 3 to 11) gives a true account of the important events that occurred during the first six months of the year, their impact on the financial statements, the main transactions between related parties and a description of the main risks and the main areas of uncertainty in the remaining six months of the year.

Paris, 28 May 2009

Gérard Bémond
Chief Executive Officer