REGISTRATION DOCUMENT 2014/2015

INCLUDING THE FINANCIAL REPORT

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Groupe

Pierre & Vacances
CenterParcs

REGISTRATION DOCUMENT
2014/2015

INCLUDING THE FINANCIAL REPORT

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

This Registration document was filed with the Autorité des Marchés Financiers* on 15 December 2015 in accordance with Article 212-13 of its general regulations. It may be used in connection with a financial transaction if accompanied by a prospectus approved by the Autorité des Marchés Financiers*. This document was made out by the issuer and commits the responsibility of the signatory.

* French market regulator.

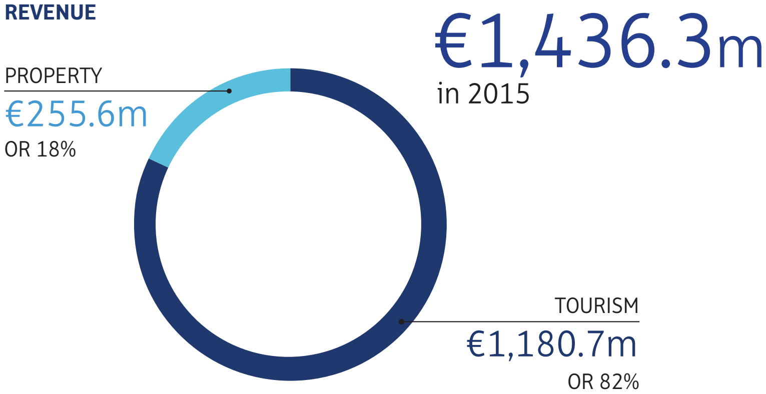
PROFILE & KEY FIGURES

A French Group that is the leading European operator of holiday residences and tourist accommodation

Formed in 1967, the Pierre & Vacances-Center Parcs Group operates a holiday residence portfolio of over 46,000 houses and apartments on 282 sites in Europe.

Its original business model is based on the complementary nature of its two business activities: property development and the operation of a holiday residence portfolio in France and Europe.

REVENUE



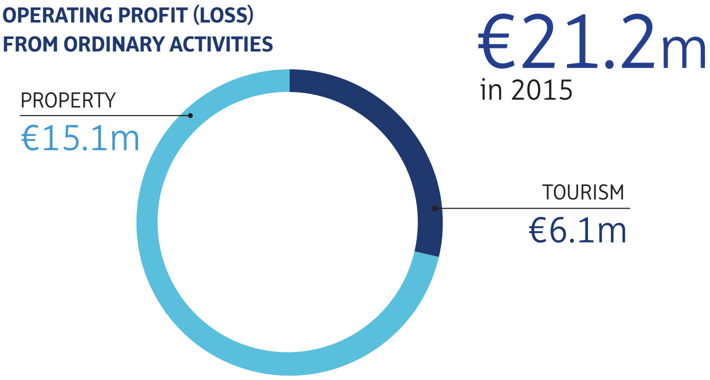
Complementary tourism brand names

With a high-profile brand portfolio (Pierre & Vacances, Center Parcs, Aparthotels Adagio®, Maeva, Sunparks), the Group is developing strong tailor-made holiday concepts: short or long stays, package holidays or holidays with à la carte activities and services, city breaks or extended stays with hotel services.

Sharp rise in profits

The 2014/2015 financial year reflected the importance of the strategy implemented by the Group, with a return to current operational profitability for the tourism business (+€6.1 million) and significant debt reduction (generation of cash flow of nearly €50 million).

OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES



NUMBER OF EMPLOYEES

7,193 employees *(Full-time Equivalent)*

MESSAGE FROM GÉRARD BRÉMOND

Chairman and Chief Executive Officer

The 2014/2015 financial year was marked by an acceleration in the Group's recovery trend which began in the two previous financial years: a return to current operational profitability for the tourism business, 74% upturn in operating profit (loss) from ordinary activities, growth in consolidated profit and generation of significant cash flow. In particular, against the backdrop of a low-growth European economic climate, the Tourism business segment benefited from increased revenue, thus demonstrating its resilience, the attractiveness of its offering and the importance of its strategic guidelines. The contribution made by the property development business segment was also positive.

The Group's objective for the 2015/2016 financial year is to continue its organic growth and further improve its profit. We will intensify our strategy of differentiating and expanding our tourism offering, whilst ensuring that costs are kept under control. Property development will continue to be targeted at contributing brands/markets to secure property margins and for tourism management. The Group will, in particular, continue to apply its economic model in Europe, with the renovation and sale to private investors of existing Center Parcs sites in Belgium, Germany and the Netherlands.

International expansion is one of the Group's main priorities. In particular, the strategic partnerships signed last November with the HNA Group offer considerable potential for growth in China: five holiday destination projects inspired by Center Parcs and Pierre & Vacances concepts are due to be launched over the next five years, with one billion euro of financing being made available by our partner.

Growth drivers have, therefore, combined to construct the Group's future with determination and confidence.

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1

PRESENTATION OF THE GROUP

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1.1 HISTORY

From the resort of Avoriaz, where the concept of holiday residence was born, through targeted acquisitions and the opening of hundreds of eco-friendly residences and villages, to the development of ambitious projects to meet the expectations of new generations of tourists, the Pierre & Vacances-Center Parcs Group has continued to break new ground in European tourism.

ORGANIC GROWTH

2015

- Opening of the fifth Center Parcs in France (Domaine du Bois aux Daims village), in the Vienne region.
- The PVCP Group develops its rent management business through the maeva.com platform.
- Block sale of cottages at Center Parcs Vienne to institutional investors.

2014

- Creation of "W2-IM" (Worldwide Invest Management) to fund the development of new tourism projects outside France.
- Signing of the financing agreements for the first tranche of Villages Nature Phase I.

2013

- Opening of the first Adagio Aparthotels© in the UK, in Liverpool.
- Off-plan sales agreement for sporting and leisure facilities at Center Parcs Vienne signed with a semi-public company, majority owned by the Vienne Département, the Poitou-Charentes Region and the Caisse des Dépôts et Consignations.

2012

- Extension of the Avoriaz resort (three new residences and a water park, Aquariaz).
- Signing of a Master Franchise agreement between Adagio City Aparthotel and Accor Latin America for the introduction of the brand in Brazil.
- Renovation of 350 cottages in the Domaine des Hauts de Bruyères and seven Center Parcs villages in the Netherlands, Germany and Belgium.

2011

- Extension of the Avoriaz resort (three new residences and a water park, Aquariaz).
- Signing of a framework agreement for the development of a new Central Parcs in southern Germany (Baden Württemberg).
- Completion of the Group's withdrawal from the hotel business: Sale of three Latitudes hotels.

- **2010:** Opening of the fourth Center Parcs in France, in Moselle-Lorraine (Domaine des Trois Forêts village).
- **2009:** Withdrawal of the Group from the hotel business with the sale of the business goodwill of three Latitudes hotels (Val d'Isère, Arc 1800 and Les Menuires).
- **2007:** Opening of the third Center Parcs in France (Domaine du Lac de l'Ailette village).
- **2005:** Opening of the first Pierre & Vacances residence in Spain.
- **1998:** Opening of two Pierre & Vacances club villages in the Caribbean (Guadeloupe and Martinique).
- **1997:** Opening of the first Pierre & Vacances eco-village, Belle Dune in the Somme bay area.
- **1990:** Opening of the first Pierre & Vacances village in Cap Esterel (Côte d'Azur).
- **1988:** Opening of the first Sunparks in Oostduinkerke, Belgium.
- **1987:** Opening of the first Center Parcs in France, the Domaine des Bois Francs village.
- **1981:** Opening of the first Center Parcs in Belgium, Eperheide Center Parcs.
- **1980:** Launch of the first Aqua Mundo with the opening of the sixth Dutch Center Parcs, in De Eemhof.
- **1979:** Opening of the first Pierre & Vacances seaside residence in Juan-les-Pins.
- **1979:** Opening of the first Center Parcs in Germany, Park Heilbachsee (Hochsauerland).
- **1967:** Launch of a new holiday resort concept by Gérard Brémond in Avoriaz.

STRATEGIC ACQUISITIONS

2011

Acquisition of Citéa, later to become Adagio access, by Adagio City Aparthotel.

2009

Agreement with Intrawest Hotels & Residences on the acquisition of the holiday residence and retail operations in Savoie and Haute-Savoie.

2007

- PVCP and Accor join forces to develop a network of city residences in Europe and to become leaders in this market under the Adagio City Aparthotel brand.
- Acquisition of the Belgian Group Sunparks, relating to the operation and the real-estate assets of four 3/4-star villages similar to Center Parcs in Belgium.
- Acquisition of the property development company Les Senioriales, specialising in building residences aimed at active seniors.

2003

Full acquisition of Center Parcs Europe (CPE). MidOcean retained all Center Parcs UK (five villages in the United Kingdom).

2002

Acquisition of Résidences MGM, a tourism operating company running luxury leisure residences (12 residences).

2001

Three major acquisitions:

- 50% of Center Parcs Europe (ten villages: five in the Netherlands, two in France, two in Belgium and one in Germany), from MidOcean, a British company.
- 100% of the Maeva group, the second largest operator of holiday residences in France (138 residences and hotels).
- Rent management companies, companies operating mechanical lifts and property at the mountain resort of Valmorel.

2000

Acquisition of the Dutch group GranDorado, the leading operator of holiday villages for short-stay rentals in the Netherlands.

1999

Acquisition of Orion Vacances (20 residences).

EXTERNAL COMMITMENTS

2015

- Signing of the strategic partnership agreements between PVCP and HNA Tourism, covering: the development of PVCP concepts in China and the investment of the HNA Tourism Group in Pierre et Vacances SA.
- Signing of a financing agreement by Eurosic Group of the sixth German Center Parcs located in the Allgau region in Bade-Wurtemberg.
- Signing of a partnership agreement between PVCP and Morgan Stanley Real Estate Investing for property and tourism development in Spain, with exclusivity ending in summer 2015.

2014

- Signing of a letter of intent between PVCP and Beijing Capital Land (BCL), a Chinese real estate group, to develop real estate and tourism concepts modelled on Center Parcs and Villages Nature in China.
- The Group formed Alliance 46.2 "Doing Business in France" *(Entreprendre en France pour le tourisme)* with 18 tourism companies. Chaired by Gérard Brémond, the club aims to boost France's appeal to tourists.
- Overall refinancing of the Group's debt (bank loans of €185 million and the issuance of an ORNANE convertible bond for €115 million).

2013

Business partnership agreement signed with TUI France.

2005

Signing of a partnership agreement with WWF France to ensure a progressive environmental approach.

2004

Gestrim partnership: an agreement to develop together, within Citéa, the residence management business through 2-star city hotels.

1999

Initial public offering.

1.2 BUSINESS OVERVIEW

1.2.1 A UNIQUE BUSINESS MODEL

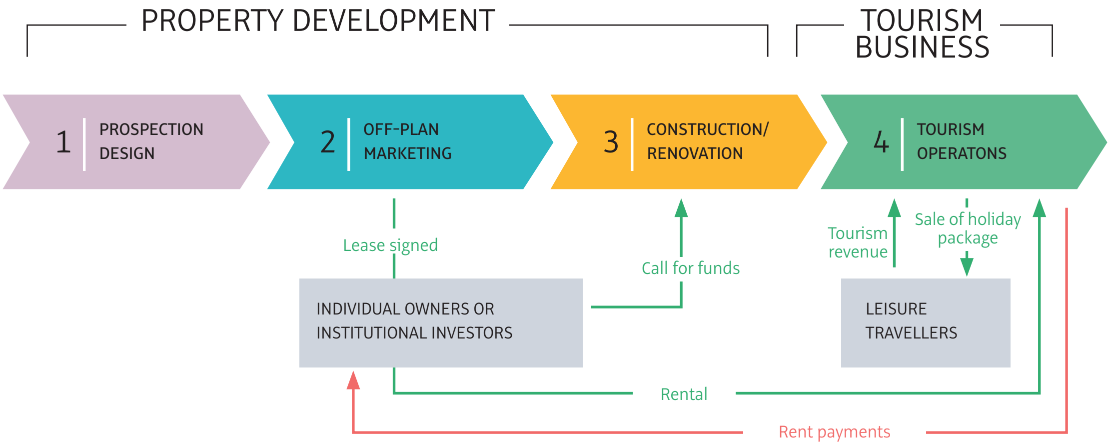
1.2.1.1 THE HISTORICAL BUSINESS MODEL

The Pierre & Vacances-Center Parcs operates and markets a holiday residence portfolio of more than 46,000 apartments and houses in France and Europe. The operated residences are:

- partly designed or renovated by the Group's property development entities, which in turn brings product consistency and high quality standards across the Group's tourism offer; and
- partly the result of successive acquisitions (acquisition of Maeva in 2001, acquisition of a controlling interest in Center Parcs Europe in 2003, acquisition of Senioriales, Sunparks and the formation of Adagio in 2007, acquisition of Intrawest in 2009, etc.).

The Group does not own the assets it operates: it sells its property development programs off plan to individual and 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. Income generated by using the leased apartments and houses for tourism purposes offsets these rents payable to the owners.

The Group's business model is based on two complementary types of activities, as shown in the simplified diagram below:



These complementary business lines have a twofold advantage: for the Group: the two types of activities, by having different cycles, can withstand economic or sectoral crises; for customers: the integration of the two provides strong fundamentals such as quality sites and architecture, as well as sustainable and comfortable houses and apartments.

Property development

Integrated tourism expertise

The property development business is primarily focused on the Group's tourism businesses since it consists of building residences and villages which are later operated by the tourism business.

The Group has integrated expertise in all the aspects of the property development business, from feasibility studies and design to the management and marketing of projects to investors and turnkey delivery to the Tourism business operators. This integrated expertise enables the Group to anticipate changes in demand and tourist spending patterns. It also ensures excellent control of quality and product consistency across the Group's various brands.

The Group's Property Development business is organized into two subsidiaries:

- Pierre & Vacances Développement (PVD), a property development subsidiary, which is responsible for the Group's property development business through purchases of building land, the search for new properties, local partners and acquisition projects. PVD thus covers the research, setup and monitoring of the Pierre & Vacances-Center Parcs Group's property development transactions for all tourism brands;

- Pierre & Vacances Conseil Immobilier (PVCI) markets the Group's property development programs to individuals and private investors in France and Europe *via* a network of dedicated sales professionals, partners and private advisors (banking networks, asset managers and specialized entities). To free investors from all the constraints related to their purchases, PVCI offers a comprehensive service: tax and financing advice, resale service.

It should be noted that the Pierre & Vacances-Center Parcs Group also has a pure property development business with Les Senioriales products. Les Senioriales has developed an innovative residence concept meeting the needs of active and independent elderly people. These are not medical residences but provide comfort, security and conviviality and contain around 60 to 70 homes located very close to medium-sized towns. They are usually sold under property ownership, even if this model is now changing with the marketing of some residences to institutional investors.

A prudential approach

The Pierre & Vacances-Center Parcs Group carries out property development projects according to strict prudential rules:

- definitive authorizations without the right to revoke are obtained for all land purchases, resulting in the Group only being committed to the fees due for obtaining planning permission;
- selling new programs off plan: the launch of construction work is generally subject to a minimum pre-sale of 50%.

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

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

Tourism business

A comprehensive tourism offer

With a high-profile brand portfolio structured around Pierre & Vacances, Center Parcs and Aparthotels Adagio®, the Group has developed renowned expertise and strong concepts offering a tailored experience to nearly 7.5 million customers: short or long stays, package holidays or holidays with à la carte activities and services, but also city breaks or extended stays with hotel services.

Pierre & Vacances / Pierre & Vacances villages clubs	Pierre & Vacances premium	maeva
139 sites **17,906 [1] apts/houses** **90,959 [1] beds** Since 1967, the Group's historical brand is the leading provider of holiday residences for a customer base that is interested in its wide choice of destinations and gives preference to comfortable accommodations and brand safety.	**25 sites** **2,744 [2] apts/houses** **15,043 [2] beds** Pierre & Vacances premium combines authenticity, refinement and care in a relaxed and cosy atmosphere for city guests in search of luxury, comfort and high quality products.	**14 sites** **1,050 [3] apts/houses** **4,170 [3] beds** Since its formation, Maeva favors values such as local sites, friendly service, simple living and discovering places. The residences offer holidays rentals with complete independence, while enjoying à la carte products and services.
(1) 19,602 apartments and 99,439 beds including multi-ownership activities and marketing mandates.	*(2) 2,838 apartments and 15,513 beds including multi-ownership activities and marketing mandates.*	*(3) 4,301 apartments and 20,426 beds including multi-ownership activities and marketing mandates.*

adagio aparthotel / adagio access aparthotel	Center Parcs	Sunparks
80 sites **8,907 apts** **18,575 beds** Aparthotels Adagio®, #1 in Europe, propose fully equipped apartments with kitchen and hotel services in the heart of cities. Suitable for business and leisure travellers, they include two Adagio ranges (middle- and high-end) and Adagio access (economy range).	**20 sites** **13,750 cottages** **68,984 beds** With Aqua Mundo, an indoor water park, Center Parcs villages, located close to European urban centres, offer throughout the year stays in spacious and comfortable cottages in addition to various relaxation and recreational activities.	**4 sites** **1,748 cottages** **9,491 beds** Villas and houses in villages located in the heart of the most wondrous natural sites in Belgium, where customers can enjoy indoor and outdoor facilities, or explore the Belgian coast or countryside throughout the year.

A European presence focused on local tourism

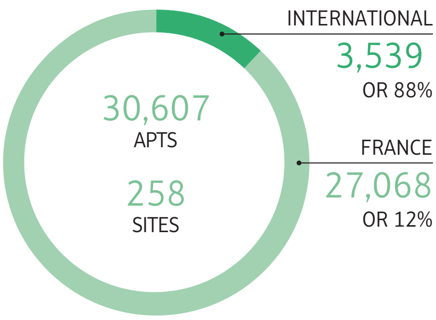
The diversity of its European destinations is a key and unique feature of the Group, allowing the vast majority of its customers to travel by car to their holiday destination. The aim is to have sites close to large cities to facilitate access to short stays, but also to propose long stays for more traditional holidays.

At 30 September 2015, the Pierre & Vacances-Center Parcs Group was operating 68% of its sites in France, where it offers multiple destinations: Northern Alps, Pyrenees, Côte d'Azur, Atlantic Coast, Channel Coast, Provence, City residences, French West Indies. In Europe, the Group also has a presence in the Netherlands (12% of the portfolio), Belgium (7%) and Germany (7%) *via* the Center Parcs and Sunparks villages, and in other European countries (Switzerland, England, Italy), via its Adagio residences.

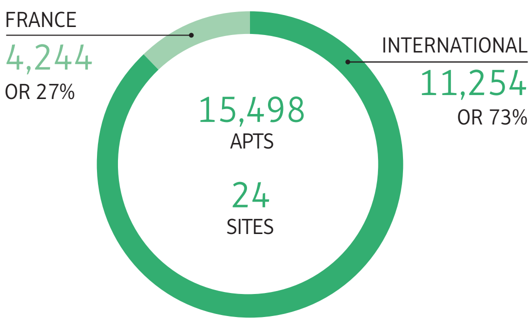
Geographic breakdown of holiday residence portfolio (number of apartments)

France/International breakdown

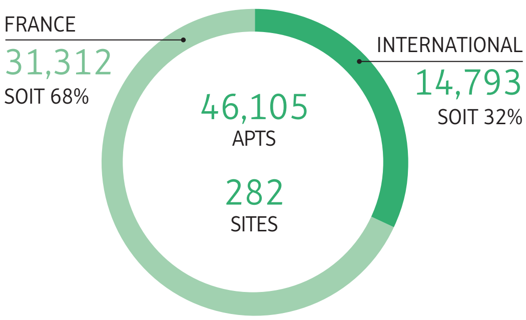
Pierre & Vacances Tourisme Europe[(1)]



Center Parcs Europe[(2)]

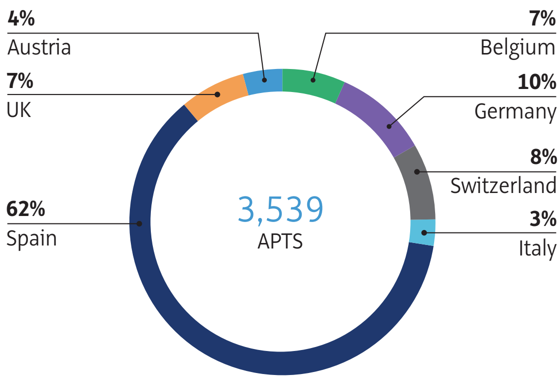


Total Tourism

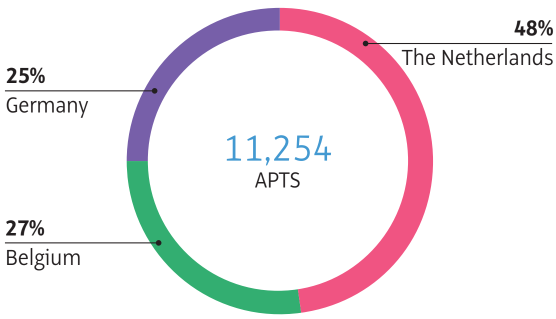


Breakdown International

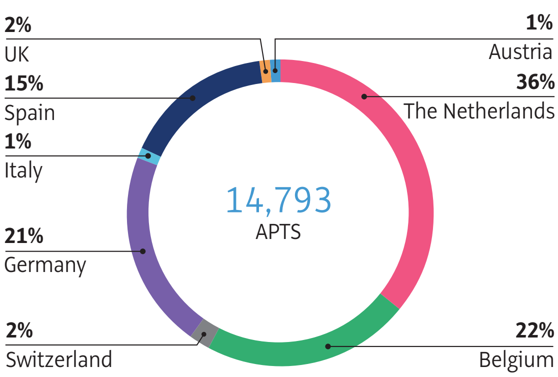
Pierre & Vacances Tourisme Europe



Center Parcs Europe



Total Tourism



(1) Pierre & Vacances Tourisme Europe includes the Pierre & Vacances, Aparthotels Adagio® and Maeva brands.

(2) Center Parcs Europe houses the Center Parcs and Sunparks brands.

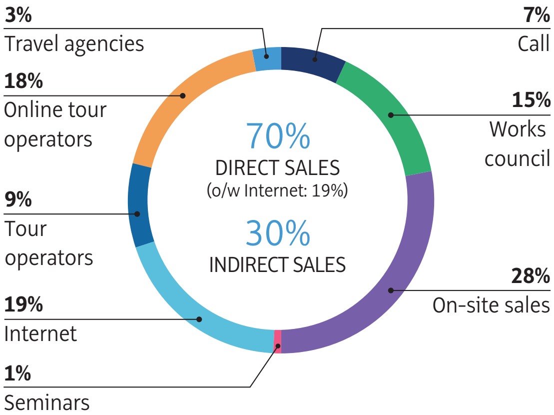
Complementary distribution channels

Downstream, the Group's business model is based on a diversified distribution policy. Two complementary distribution channels cover the marketing of holiday residence properties:

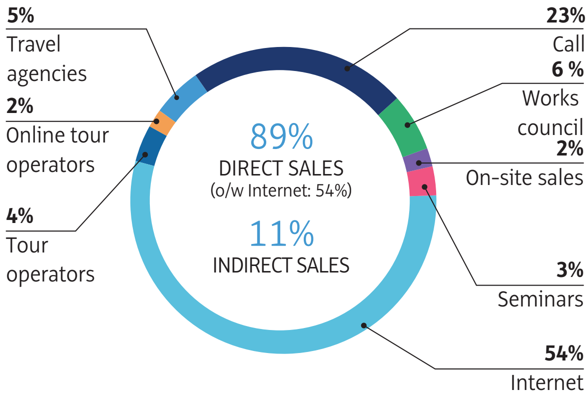
- direct marketing (79%), with a proprietary network in France, the Netherlands, Germany and Belgium which has the advantage of reduced costs;
- indirect marketing (21%), through French and international agencies and tour operators active in all European countries, which broaden the potential target.

Accommodation revenue by distribution channel

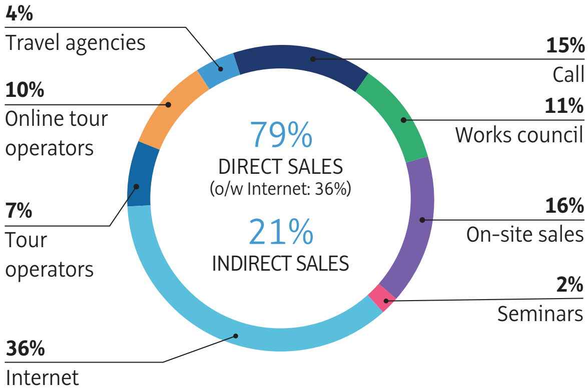
Pierre & Vacances Tourisme Europe



Center Parcs Europe



Total Tourism



Diversified management methods

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

- Under lease agreements, the lessee (a Pierre & Vacances-Center Parcs Group company) agrees to pay a fixed or variable rent (depending on operating performances) with or without a guaranteed minimum. The variable rents formula, which was initially developed in Spain, has now been extended to the French portfolio, particularly when leases are being renewed, and is also being used internationally (for example, Adagio, and in Germany (Bostalsee). Profits generated over and above the rental payment belong to the Group. Renovation work is payable either by the lessor/owner, or by the Group.
- Under management agreements, the agent (a Pierre & Vacances-Center Parcs Group company) acts as a service provider and bills for management and marketing fees. Operating income accrues to the owner (the customer). In certain cases, the Group guarantees the owner a minimum income, and surplus profits relative to this minimum amount are shared between the two parties. This management method will be developed in the coming years for some sites at the end of their leases.

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

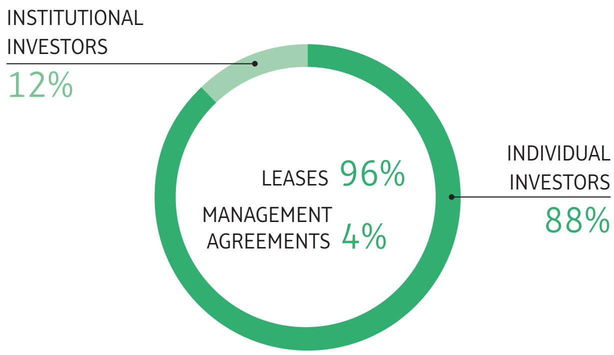
At Group level, 66% of apartments operated were owned by individual investors and 34% by institutional investors.

For Pierre & Vacances Tourisme Europe, for which most of the holiday residence portfolio is in France, 88% of the apartments belong to individual investors and 12% belong to institutional investors.

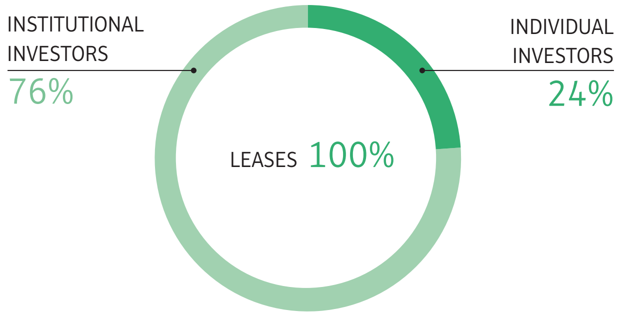
Institutional investors own 76% of the Center Parcs Europe portfolio. Cottages owned by individual investors are located in French Center Parcs and the Center Parcs in Bostalsee, Germany.

Breakdown of the holiday residence portfolio by type of ownership and management (number of apartments)

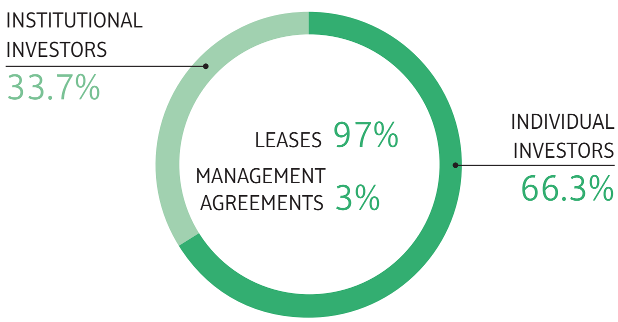
Pierre & Vacances Tourisme Europe



Center Parcs Europe



Total Tourism



1.2.1.2 EVOLUTION OF THE BUSINESS MODEL

In recent years, the Group has been confronted with major changes in its two business segments:

- the European market has been affected by a depressed economic climate with a falling consumer purchasing power. Meanwhile, the tourism market has been going through a profound structural transformation related to digital technologies, which impacts decision making, reservation and consumption modalities. Competition has been exacerbated by the emergence of new entrants and the development of homestay accommodation forms (Abritel, Homeaway, Air B&B, etc.);
- the property development market has been confronted with the slowdown of individual investment in rental property in France due to less attractive tax incentives.

This environment has required the Group to change its business model, expand internationally, become a key player on the net and broaden its services and offer in order to stand apart from competitors.

Developing new financing models

Diversifying financing models in France through property sales to institutional investors

- To step up marketing of sizeable programmes against a more tense property market and tax background, in addition to sales to individuals the Group approached institutional investors, who have significant liquidities and are looking to diversify their assets as they search for returns on investments.
- This "bulk" marketing was first used to finance the cottages at the Domaine Center Parcs in Bois aux Daims, the Vienne department. The Group was thus able to attract major players (MACSF, MAIF, Amundi, Allianz and DTZ Asset Management on behalf of CNP Assurances, Groupama and Groupe la Française) which had not invested before in holiday residence properties. 80% of the cottages were thus sold in bulk to institutional investors under 12-year leases. The Group also signed a public-private partnership contract

with local authorities to finance the infrastructure and collective recreational, especially with the General Council of the Vienne region and the Regional Council of Poitou-Charentes, who were particularly motivated by the impact in terms of direct and indirect job creation.

- Villages Nature, which represents an investment of €360 million, was also undertaken with the backing of institutional investors. Out of the 916 apartments and cottages, 783 were sold in bulk to the property development group Eurosic, and, for a minority part for each, the Euro Disney and Pierre&Vacances-Center Parcs Groups. These cottages and apartments are destined to be sold on to individual investors. In addition, recreational facilities were financed by Eurosic, the Caisse des Dépôts, CNP Assurances and the property investment fund, Delta Loisirs Évasion.

Exporting the Group's historical business model to other European countries

- The 500 cottages at the Center Parcs in Bostalsee, Germany were sold to individual investors who were able to choose between a non-indexed yield of 5% or a fixed yield of 3% with a variable component based on the site performance. As a reminder, Germany has no tax incentives for individual investments of this kind. This is an innovative transaction on the German market.
- Encouraged by this successful marketing to individual owners, the Group now offers its institutional owners of cottages in Germany and the Netherlands to resell their cottages to individual investors after renovation. The Group has been renovating its villages, while maintaining the liquidity of institutional owners' investments. While ensuring the liquidity of institutional owners' investments, the Group renovates its villages in order to move the offer upscale and consequently increase tourism turnover (especially by higher average letting rates), at the same time as maintaining rents lower than the level for institutional investors and generating property revenues (marketing and management fees, margin sharing).

Expanding the Group's business internationally

Development partnership agreements in China

- During the 2014/2015 financial year, the Group entered into memoranda of understanding with Beijing Capital Land on 4 December 2014 and the HNA Tourism Group on 2 July 2015, with a view to establish long-term partnerships to develop Pierre and Vacances-Center Parcs concepts in China.
- On 6 November 2015, the HNA Tourism Group and the Pierre & Vacances-Center Parcs Group concluded strategic partnership agreements in line with the memorandum of understanding signed on 2 July 2015 in Toulouse.

On 6 November 2015, the Pierre & Vacances-Center Parcs Group and Chinese group HNA Tourism signed strategic partnership agreements including two parts:

1. The development of tourism destinations in China inspired by the Center Parcs and Pierre & Vacances concepts.

   The projects are to be implemented by a joint-venture 60% owned by the HNA Tourism Group and 40% by the Pierre & Vacances-Center Parcs Group, which is to provide property and tourism services on behalf of the investors in each development.

   - HNA Tourism pledges to mobilise financing for the first five developments over the next three years for a total investment of around €1 billion. It is also to participate in the search for property developments and the delivery of administrative authorisation. *Via* its travel agency subsidiary, it is to foster tourism distribution for Pierre & Vacances-Center Parcs' European destinations with Chinese customers.
   - The Pierre & Vacances-Center Parcs Group is to contribute its property development and tourism know-how to the joint venture by steering the planning, architectural and landscaping conception, as well as the design of each project, property sales to individuals and tourism management (distribution and operation) of the projects developed.

2. HNA Tourism is to take an equity holding in Pierre et Vacances SA.

   HNA Tourism is to subscribe to a reserved rights issue representing 10.00% of the capital of PVSA after the operation, at a price of €25.18 per share. Following this capital increase, SITI (holding company controlled by Gérard BRÉMOND) is to remain the majority shareholder in terms of capital and voting rights.

For further information, see the press release published on the Group's website on 9 November 2015: www.groupepvcp.com.

Developing a distribution business: Maeva.com

Internet has become the primary source of information for all holiday stays and the main reservation means. With the intent to become a major player in online holiday rentals in France and elsewhere in Europe, in 2014 the Pierre & Vacances-Center Parcs Group developed a holiday distribution platform within multi-product and multi-brand tourism structures (residences, villages clubs, houses/villas, camping, cottages, hotels and individually-owned apartments).

This platform, which was named "Maeva.com" to take advantage of the strong brand awareness, is operated in partnership with *La Compagnie des Vacances,* a major European player in the distribution of open-air accommodations.

Maeva.com now covers more than 4,000 sites and is to be rounded out with an ownership mandate offering at the end of leases.

The development of the management agreement business is a genuine growth and performance opportunity for the Group. Already used for co-owner residences operated by the Group, this type of management is now more frequently offered to owners at the end of leases and is a concrete answer to the challenge the Group has in keeping strategic properties located on quality sites but generating insufficient income.

1.2.2 MARKET AND COMPETITION

Tourism business

Its range of complementary and distinguished brands enables the Group to provide a comprehensive and unique offering in furnished rentals with à la carte services.

Against the current economic backdrop, the Group**'s ability to meet the needs of each customer** is a decisive factor, particularly in terms of

- furnished rentals (ready-to-live apartments and homes);
- flexibility (duration of holidays, departure and arrival days);
- services and events for all, catering;
- proximity;
- prices (competitive price positioning and per head prices).

The demands of holidaymakers have changed in line with the following:

- demographic factors in Europe (higher number of elderly people, extension of "youth" segment);
- macroeconomic factors (boom in fuel costs, lower purchasing power, global expansion of tourism) and technological factors (new uses of the Internet, online intermediaries, etc.);
- environmental factors (natural disasters, collective awareness of environmental values).

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

With 282 sites, 46,105 apartments and 207,222 beds operated in Europe, the Pierre & Vacances-Center Parcs Group is the European leader in the holiday residence market, a market that is very little consolidated (2/3 independent operators) but significant (in the range of €12-13 billion).

- In France, the Group is #1 in the leisure residence market. This market represents nearly 1,750 sites (excluding city residences), 136,730 apartments and houses, and 636,530 beds (source: SNRT), of which nearly 20% is included in the Group's offer (24,800 accommodation units and 126,130 beds in mainland France).

  Competition is strong, given the presence of multiple traditional players (holiday residences – Odalys (75,000 beds), Lagrange (30,000 beds), Eurogroup (23,000 beds), Goelia (21,000 beds), open-air accommodations, etc.) but also digital players (specialized and C to C distributors – Airbnb, HomeAway, etc.). In such a competitive environment, the Group has been focusing on what sets it apart, *i.e.* the guarantee of a level of quality that only large brands can provide, flexibility with long and short holidays, customizable themes and offers, price range (combining transportation, services and activities) and a broad choice of destinations.
- In Northern Europe, the main rivals for Center Parcs Europe are Landal Greenparks (70 villages, or 12,000 cottages, in the Netherlands, Belgium, Germany, the Czech Republic, Austria and Switzerland) and Roompot (207 villages, or 1,293 cottages, in the Netherlands, Germany, Denmark and Poland).
- In the city residence market, the Group is ranked in 2nd place with 80 Adagio and Adagio access residences. On 1er January 2015, the French portfolio included 661 city holiday residences for nearly 57,000 apartments, Appart'City representing 23% of the offer, Adagio 14%, Réside Études 12% and Ascott Limited/Citadines 5% (source: In Extenso Tourisme, 23 June 2015).

Adagio residences mostly receive business travellers comprising managers, consultants and employees but also tourists who complement the business customers when this market is weaker, in particular in the summer months. The Adagio aparthotels' leisure travellers accounted for nearly 46% of overnight stays in 2014.

Property development: Les Senioriales

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

1.3 STRATEGY AND OUTLOOK

In 2011/2012, for the first time the Pierre & Vacances-Center Parcs Group posted an operating loss from ordinary activities (€7 million), undermined by an increase in expenses driven by the mechanical effect of index changes, but also penalised by a more moderate sales growth against a challenging economic backdrop.

The Group responded vigorously, quickly taking action on three levers:

- a proactive sales action plan, adapted to the new context of tourist spending;
- a reduction of 15% in its registered office expenses and 4% of its site operating costs, accompanied by a Job Preservation Plan for 195 people in France and elsewhere in Europe;
- the decrease in rent expense, with enhanced actions when leases are renewed.

The objective was clear: to reverse the trend and return to operating profitability from 2012/2013.

The challenge was met in 2012/2013, with operating results back to positive territory (+€2.6 million). The cost savings plan announced in 2011/2012 was implemented on schedule and the Group realised the rent expense savings forecasted in the previous year.

In 2013/2014, the Group ended the financial year with very positive developments compared with the 2012/2013 financial year, notably revenue up 9%, operating profit from ordinary activities rising sharply, multiplied by 4.5, net loss reduced by half and a falling net debt after three consecutive years of net cash consumption.

The 2014/2015 financial year marked a new milestone for the Group, with the tourism business returning to operating profit from ordinary activities and continued growth in consolidated results.

This sharp increase in results marked a very significant turnaround trend and reflected the relevance of the Group's strategy for its two businesses:

A growth and differentiation strategy for the tourism business, structured around several areas:

- strengthening the tourism offer for all brands, with increased segmentation and tailored services and activities to enhance customer experience,
- developing a digital offer that benefits customer relations and performance (redesigned website, the launch of a Planet PV application designed to initially support customer use during holidays, developing the Group's presence on social networks),
- optimising distribution channels by brand and by market (optimising call centers, deploying connected systems with partner distributors, renegotiating commissions, providing tailored and bundled online services and activities),
- new marketing and rental management models, such as Maeva.com, and developing the management agreements business,
- a cost reduction programme, particularly through:
  - the lease renewal policy on Pierre & Vacances and Adagio properties (reduction of rent expense estimated at €67 million (including indexation[3] and excluding development of the offer), over the period from 2012/2013 to 2018/2019),
  - flexible costs, to adapt to seasonal demand and various lengths of stay,
  - optimised direct and indirect distribution,
  - full use of technology to further optimise processes.

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

Ongoing targeted property development in contributing brands/markets in order to generate property margins and for tourism operations:

Center Parcs

– Midsize Center Parcs development project in France

The Pierre & Vacances-Center Parcs Group is considering developing two new Center Parcs projects in France, one in the Jura region in the commune of Poligny and the other in Saône-et-Loire in the commune of Rousset.

Each of the Center Parcs domains would have 400 cottages and offer activities primarily derived from a high level of integration into the local environment in terms of nature, heritage, culture, sport and gastronomy.

The domains aim to offer families with young children and teenagers a time of sharing and relaxation *via* an experience centred on fun and sports activities (including the Aqua Mundo) and the discovery of nature.

The provisional site for location of the project in the Jura is in the "golden triangle" between the towns of Poligny, Arbois and Salins les-Bains, which boast a strong historical, gastronomical and tourism heritage. Out of a total area of 90 hectares, around 40 hectares would be developed.

The Saône-et-Loire project is to be located in the commune of Rousset in the heart of the Charolais Brionnais, in Saône-et-Loire. Out of a total area of 86 hectares, around 40 would be developed.

Another project is also being considered in Lot-et-Garonne.

The villages are programmed to open as of 2019.

– Center Parcs development project in Roybon, Isère

Like the five Center Parcs already present in France, the Pierre & Vacances-Center Parcs Group would like to continue to expand *via* a tourism project with 1,000 cottages located in Isère in the commune of Roybon. The project is a way of boosting the local economy and local tourism and testifies to the Group's commitment to responsible and sustainable tourism.

The project has been opposed by a number of associations (administrative and legal procedures are set out in Part 4 of the Reference Document in Note 2.1 to the consolidated accounts). A final conclusion for these administrative and legal proceedings is expected before the end of 2016.

– Center Parcs development project in Algau, Germany

The Domaine Center Parcs village in Allgau, the Baden-Württemberg state, Germany, is a 750-cottage project located in forestland of 184 hectares. In November 2015, the Eurosic Group signed an agreement to acquire the future domain (cottages and recreational facilities). The project represents an investment of €255 million before tax. The domain's facilities and accommodation are to be leased to an operating company belonging to the Pierre & Vacances-Center Parcs Group under the framework of a long-term lease.

The domain is due to open in 2018.

– Projects to renovate existing villages in Germany, Belgium and the Netherlands by split sale

After France, Center Parcs launched the renovation of several villages in Germany, Belgium and the Netherlands. Following the Group's original business model, the cottages are sold to individual investors to finance renovations. Application studies are envisaged for 17 domains in the Netherlands, Germany and Belgium that currently belong to institutional investors, representing a potential of 10,000 cottages.

As of the date of this Registration Document, 350 cottages at Vielsam in Belgium, more than 550 cottages at Port Zélande and 345 cottages at Nordseekuste in Germany are being marketed.

PV Premium

The Group continued to strengthen its premium label with two 5-star projects, one in Deauville on the Touques peninsula (161 apartments), expected to open in 2017, and another in Méribel (93 apartments) to open in 2019.

Villages Nature

Located 6 km from Disneyland® Paris, in the Seine-et-Marne region, this unique eco-friendly holiday destination, operated as a joint venture with Euro Disney SCA, will offer a unique experience based on connecting with Nature.

This project could span up to 500 hectares and be developed in several phases over a 20-year timeframe.

On 23 May 2014, Villages Nature finalized the financing of its first phase of development. This initial stage will involve the construction of 916 cottages and apartments classified as tourist residences as well as recreational facilities such as the Aqualagoon, an 11,500 m^2 water complex – one of the biggest indoor water parks in Europe – with an attached outdoor lagoon heated to more than 30°C (86°F) using geothermal power.

For this initial stage of construction, the investments related to Villages Nature's recreational facilities were made by a group of institutional investors. The accommodation units were mainly sold in bulk to a real estate company to be subsequently sold to individual investors. These properties will then be leased to a subsidiary of Les Villages Nature de Val d'Europe SAS, responsible for their operation and management.

Villages Nature is expected to open to the public in 2017.
For additional information, see the Villages Nature website (http://www.villagesnature.com).

Adagio

Adagio accelerated its international expansion. As of the date of this Registration Document, a quarter of the city residences under the brand were located abroad, including 13 in Europe, 8 in Latin America and 4 in the Middle East. Seven new openings were scheduled internationally in 2016, including 2 in Europe (Germany and Russia), 4 in Latin America and 1 in the Middle East, with the development of franchises and master franchises.

Development projects in China

The signing of strategic partnerships with the HNA Group offers a significant development potential in China. This long-term partnership aims at developing a leading platform in China for the design and operation of a new type of tourism destinations inspired by the Center Parcs and Pierre & Vacances concepts.

This development matches the rising demand of Chinese middle classes for family holiday destinations that are easy to access from major city areas.

Provisional timing for construction of projects is five projects over the next three years. Thereafter, two projects per year are expected to be developed.

Projects with the most advanced preliminary study are located close to large cities of Shanghai, Beijing, Chengdu and Fuzhou.

In addition, based on Avoriaz resort standards, both Groups will take part in the development of mountain resorts in China, in view of the 2022 Winter Olympic Games in Beijing.

Drawing on this ongoing growth momentum, the Group has been focusing its efforts, in a European economic environment not expected to change significantly, to achieve a target operating margin on ordinary activities of 5% of sales by 2016/2017.

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2

CORPORATE GOVERNANCE

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2.1 ADMINISTRATIVE AND MANAGEMENT BODIES

2.1.1 COMPOSITION OF THE ADMINISTRATIVE AND MANAGEMENT BODIES

2.1.1.1 COMPOSITION OF THE BOARD OF DIRECTORS

The Pierre et Vacances SA Board of Directors has nine members:

Name	Function	Date first appointed	End of current term of office	Main function within the Company	Main function outside the Company	Independence criteria(1)	Number of shares held in the Company(2)
Gérard BRÉMOND	Chairman and Chief Executive Officer(3)	03/10/1988	Until the Shareholders' Ordinary Meeting called to approve the financial statements for the year ending 30/09/2015(4)	Chairman and Chief Executive Officer	/	No	10
Olivier BRÉMOND	Director	10/07/1995		/	Chairman of Kisan Inc.	No	10
Marc R. PASTURE	Director	10/09/1998		/	Consultant	No	10
SA S.I.T.I., represented by Thierry Hellin	Director	03/10/2003		Group Deputy CEO	/	No	3,903,548 10
Ralf Corsten	Director	11/03/2004		/	Consultant	Yes	10
GB DÉVELOPPEMENT SAS, represented by Patricia Damerval	Director	10/10/2005		Group Deputy CEO	/	No	10 3,343
Andries Arij OLIJSLAGER	Director	06/10/2008		/	Chairman of the Supervisory Board of Heijmans NV and Detailresult Groep NV	No	500
Delphine BRÉMOND	Director	02/12/2008		/		No	10
Martine BALOUKA-VALLETTE	Director	02/12/2014		CEO Tourism business	/	No	10

(1) The criteria set out in the AFEP-MEDEF Code are used to assess the independence of directors. The position of each director with regard to the independence criteria has been examined by the Board of Directors during its self-assessment of the way in which it operates.
(2) Company directors must hold at least ten shares.
(3) The meeting of the Board of Directors held on 20 October 2014 decided to combine the functions of Chairman and Chief Executive Officer.
(4) The re-appointment of all Directors will be put to the vote at the next Shareholders' Ordinary Meeting on 4 February 2016.

The appointment of 4 new Directors, of which 2 Directors representing HNA Group, will be put to the vote at the next Shareholders' Ordinary Meeting 4 February 2016.

The only family relationship between those listed in the above table is a relationship between Gérard Brémond, Olivier Brémond and Delphine Brémond.

To the Company's knowledge, there is no potential conflict of interest between the Company's executives' and directors' duties and their private interests and/or duties.

The Board's Internal Regulations specify that directors must inform the Board of any conflict of interest or potential conflict, and must abstain from any Board meeting vote in relation to any such conflict of interest situation.

In addition, to the Company's knowledge, no executive or non-executive corporate officer has:

- been convicted for fraud during at least the last five years;
- been made bankrupt, or placed in compulsory administration or liquidation during at least the last five years;
- been charged for an offence and/or had an official public penalty pronounced against him or her by the statutory or regulatory authorities during at least the last five years.

Finally, to the Company's knowledge, no executive or non-executive corporate officer has been barred by a court from serving as a member of an administrative, management or supervisory body of an issuer or from being involved in the management or conduct of the affairs of an issuer during at least the last five years.

As of the date of this Registration Document, no executive or non-executive corporate officer is linked to the Company, or to any of its subsidiaries, by a service agreement.

2.1.1.2 FUNCTIONING OF THE BOARD OF DIRECTORS

The Company complies with the governance regime applicable in the French Republic.

Moreover, the Company has selected the AFEP-MEDEF Corporate governance code for listed companies, last revised in November 2015, as its benchmark code.

In accordance with the AFEP-MEDEF Code, the Board's Internal Regulations are available on the Company's website.

All information relating to the way the Board of Directors operates appears in the Chairman's report on the organisation of the Board and the internal control procedures (pages 42 to 52 of this Registration Document).

2.1.1.3 TERMS OF OFFICE HELD IN OTHER COMPANIES (OUTSIDE THE PIERRE & VACANCES-CENTER PARCS GROUP) IN THE LAST FIVE YEARS

Gérard BRÉMOND, *Chairman & Chief Executive Officer*

Born on 22/09/1937

Business address: L'Artois – Espace Pont de Flandre – 11, rue de Cambrai – 75947 Paris Cedex 19

Expertise: Gérard Brémond is the founder of the Pierre & Vacances-Center Parcs Group. He is also Chairman of the Association "Alliance 46.2: Entreprendre en France pour le Tourisme", Foreign Trade Consultant for France and National Tourism Consultant. He was Chairman of Maison de la France from 1999 to 2005. Gérard Brémond is a graduate in economic sciences and graduate from the Institut d'Administration des Entreprises.

Mr Gérard Brémond is:

- Chairman and Chief Executive Officer of SA Société d'Investissement Touristique et Immobilier – S.I.T.I.
- Chairman of GB Développement SAS
- Director of Lepeudry et Grimard
- Manager of SC S.I.T.I.R

Mr Gérard Brémond was:

- until April 2014, member of the Supervisory Board of the listed company Maroc Télécom

Olivier BRÉMOND

Born on 03/10/1962

Business address: Kisan – 125 Greene Street – New York, NY 10012

Expertise: Olivier Brémond is an entrepreneur. He is Producer and CEO of Gamma TV and was also Chairman-CEO of Marathon International and then Marathon Productions. Olivier Brémond is a graduate from the European Business School (EBS) Paris.

Mr Olivier Brémond is:

- Director of:
  - SA Société d'Investissement Touristique et Immobilier – S.I.T.I.
  - Kisan Inc. (United States)

Mr Olivier Brémond was:

- until May 2012, Director of Kisan (Iceland)

Marc R. PASTURE

Born on 19/12/1947

Business address: Wilhelmstrasse 5 AD – 53840 Troisdorf – Germany

Expertise: Marc R. Pasture undertakes consulting missions for various companies in Germany, especially in the field of marketing. He has occupied senior executive positions in companies such as Pirelli, Citroen, TUI, LTU Touristik, RWE Plus and Alfa Roméo. Marc Pasture has an MBA in corporate management (Université de Louvain).

Mr Marc Pasture is:

- Chairman of the Supervisory Board of:
  - Comités GmbH (Germany)
- Member of the Supervisory Board of:
  - Maritim Hotelgesellschaft mbH (Germany)
  - Kübler & Niethammer Papierfabrik Kriebstein AG (Germany)
- Director of:
  - Deutsche Auslandsgesellschaft (Germany)
  - MMM Business Media S.A. (Belgium)
- Member of the Advisory Board of:
  - HDI-Gerling Industrie Versicherung AG (Germany)
  - Odewald & Compagnie (Germany)
  - Hauck & Aufhäuser Privatbankiers GmbH&CoKG (Germany)

Mr Marc Pasture was:

- until 1 November 2011, member of the Supervisory Board of Sevenload AG (Germany)
- until 12 December 2011, member of the Advisory Board of Comités GmbH (Germany)
- until 30 September 2012, member of the Supervisory Board of Dolce Media GmbH (Germany)

Thierry HELLIN, *Group Deputy Chief Executive Officer*(4)

Born on 11/11/1963

Business address: L'Artois – Espace Pont de Flandre – 11, rue de Cambrai – 75947 Paris Cedex 19

Expertise: Thierry Hellin has been the Group Deputy CEO since 2005. He was also Legal Director and then General Secretary at the Pierre & Vacances-Center Parcs Group. From 1987 to 1996, he held various legal management positions at the head of litigation and then General Secretary at the Crédit Foncier de France Group. Thierry Hellin has a DEA in private law (Paris II).

Mr Thierry Hellin is:

- Chairman and Chief Executive Officer of SA Lepeudry et Grimard
- Chairman of SAS Compagnie Foncière et Immobilière de la Côte d'Azur – CFICA
- General Manager of SARL Le Duc des Lombards
- Joint General Manager of SARL TSF Jazz

Ralf CORSTEN

Born on 21/02/1942

Business address: Hauptstrasse 27 – 82402 Seeshaupt – Germany

Expertise: Until 2005, Ralf Corsten was a consultant for TUI AG in the hotel participations sector. He held several positions in the TUI group including spokesperson and then Chairman of the Management Board of TUI GmbH & Co KG, Chairman of the Management Board of TUI Group GmbH, Chairman of the Management Board of Nouvelles Frontières, member of the Management Board of TUI AG. Ralf Corsten has a doctorate in law.

Mr Ralf Corsten is:

- Chairman of the Supervisory Board of:
  - Steigenberger Hotels AG (Germany)

(4) Responsible for Development, Purchasing, Sustainable Development, Legal Affairs, Risk Management, Human Resources, and General Services.

Patricia DAMERVAL, *Group Deputy Chief Executive Officer*[5]

Born on 28/04/1964

Business address: L'Artois – Espace Pont de Flandre – 11, rue de Cambrai – 75947 Paris Cedex 19

Expertise: Patricia Damerval has been Group Deputy CEO since 2005. She has also been Financial Director at the Pierre & Vacances-Center Parcs Group. From 1990 to 2000, she was head of the consolidation department then head of central accounting and finally, Deputy to the Financial Management Director at Société Générale Group. Patricia Damerval is a graduate from ESSEC.

Ms Patricia Damerval is:

- Permanent representative of SA S.I.T.I. on the Board of Directors of SA Lepeudry et Grimard

Andries Arij OLIJSLAGER

Born on 01/01/1944

Business address: Olaxbeheer BV, Postbus 49, NL – 9062 ZH Oentsjerk, the Netherlands

Expertise: Andries Arij Olijslager is Chairman of the Board of Directors of Royal Friesland Foods (The Netherlands). He was also Chairman of the Board of Directors at Frieslands Dairy Foods Holding N.V., CEO of MIP Equity Fund N.V., and CEO and joint-shareholder of Leopack. Andries Arij Olijslager is a graduate from the University of Nyenrode (Business University).

Mr Andries Arij Olijslager is:

- Chairman of the Supervisory Board of Heijmans NV
- Chairman of the Supervisory Board of Detailresult Groep NV

Mr Andries Arij Olijslager was:

- until 27 March 2012, Chairman of the Supervisory Board of Eriks BV
- until 31 December 2013, Vice-Chairman of the Supervisory Board of AVEBE UA

Delphine BRÉMOND

Born on 14/07/1966

Business address: 3 rue Pasteur, 94120 Fontenay-sous-Bois

Expertise: Delphine Brémond is an author and director. Her personal career path has enabled her to develop expertise in sustainable development and product marketing. Delphine Brémond has a Master's in ethology.

Mrs Delphine Brémond is:

- Director of SA Société d'Investissement Touristique et Immobilier – S.I.T.I.

Martine BALOUKA-VALLETTE, *Chief Executive Officer, Tourism business*

Born on 19/11/1951

Business address: L'Artois – Espace Pont de Flandre – 11, rue de Cambrai – 75947 Paris Cedex 19

Expertise: Martine Balouka-Vallette has been Group Tourism CEO since 2014. She has also been CEO of Adagio, Pierre & Vacances Maroc and Pierre & Vacances Maeva Tourisme Europe, within the Pierre & Vacances-Center Parcs Group. She was associate Director at KPMG Consulting, Tourism, Hotels and Leisure from 1997 to 2002, Chairman-CEO of Horwath Axe Consultant from 1988 to 1997 and Vice-Chairman Marketing and Sales Europe of Méridien from 1984 to 1988. Martine Balouka-Vallette is a graduate from Ecole Supérieure de Commerce in Paris and the Institut National du Marketing.

Martine Balouka-Vallette does not hold a term of office in any other company outside the Pierre & Vacances-Center Parcs Group.

(5) Responsible for Finance, Development, Auditing and Portfolio Management.

2.1.2 COMPOSITION OF THE SPECIALIST COMMITTEES[6]

The Pierre et Vacances Board of Directors has two permanent specialist committees to assist it: The Audit Committee and the Remuneration and Appointments Committee.

The specialist Committees are composed of members of the Board of Directors. The Board appoints the members and the Chairman of each of the Committees.

The responsibilities and functioning of these specialist Committees in assisting the Board of Directors in its work are stated in the Chairman's report on the organisation of the Board of Directors and internal control procedures (page 45 of this Registration Document).

2.1.2.1 THE AUDIT COMMITTEE

This Committee has two members, who are appointed for the duration of their term of office as directors: Mr Andries Arij Olijslager and Mr Ralf Corsten.

The Committee is chaired by Mr Andries Arij Olijslager.

2.1.2.2 THE REMUNERATION AND APPOINTMENTS COMMITTEE

This Committee has two members, who are appointed for the duration of their term of office as directors: Mr Marc Pasture and Mr Ralf Corsten.

The Committee is chaired by Mr Marc Pasture.

2.1.3 COMPOSITION OF THE EXECUTIVE MANAGEMENT COMMITTEE

The Group Executive Management Committee has four members: the Chairman and Chief Executive Officer, the two Group Deputy Chief Executive Officers and the Chief Executive Officer for the Tourism business.

Gérard Brémond
Chairman
and Chief Executive Officer

Patricia Damerval
Group Deputy Chief
Executive Officer

Thierry Hellin
Group Deputy Chief
Executive Officer

Martine Balouka Valette
Chief Executive Officer
for the Tourism business

The responsibilities of this Committee and the way it operates are stated in the Chairman's report on the organisation of the Board of Directors and internal control procedures (page 47 of this Registration Document).

(6) The composition of the Audit Committee and the Remuneration Committee is a point of non-compliance with the AFEP-MEDEF code (re. section 2.4.1.1. of the Reference Document). Given the four nominations that are to be proposed to the Annual General Meeting on 4 February 2016, the opportunity of modifying the composition of specialised committees is to be reflected on.

2.2 REMUNERATION OF EXECUTIVES AND MEMBERS OF THE BOARD OF DIRECTORS

2.2.1 REMUNERATION OF THE EXECUTIVE AND NON-EXECUTIVE CORPORATE OFFICERS

Please note that the Company has selected the AFEP-MEDEF Code, last revised in November 2015, as its benchmark code. Within the context of the "Comply or Explain" rule laid down in Article L. 225-37 of the French Commercial Code and referred to in Article 25.1 of the AFEP-MEDEF Code, the Company believes that its practices comply with the recommendations of said Code, with the exception of the points mentioned on page 43 of this Registration Document.

For the financial years ending on 30 September 2015 and 30 September 2014, no wage (including benefits of any kind) was paid to a corporate officer directly by the companies which the Pierre & Vacances-Center Parcs Group controls, as defined in Article L. 233-16 of the French Commercial Code. However, Société d'Investissement Touristique et Immobilier (a company indirectly controlled by the Chairman, founder and majority shareholder of Pierre et Vacances SA) as an asset management company, invoiced for fees representing the cost of the services rendered by Gérard Brémond, Thierry Hellin, Patricia Damerval, Martine Balouka-Vallette and Françoise Gri (Chief Executive Officer until 20 October 2014). The fees invoiced by S.I.T.I. were calculated on the basis of direct costs (remuneration paid + employer's contributions + other direct costs: travel, premises, secretarial costs) plus a 5% margin and calculated prorata for the time spent by each individual on managing the business of Pierre & Vacances-Center Parcs Group companies.

For each of them, the variable bonus relates to the Group's financial performance (EBIT) (between 50% and 80% of the bonus) and the achievement of personal objectives. The criteria applied are predetermined and clearly defined but are not made public for confidentiality reasons.

The Group has not introduced a system of sign-on bonuses or termination benefits for its executive or non-executive corporate officers.

There are no additional pension schemes specific to executive and non-executive corporate officers. They receive, in accordance with their contract of employment with S.I.T.I., an end-of-service lump sum payment calculated on the basis of the rules applicable to all salaried employees.

2.2.1.1 SUMMARY OF REMUNERATIONS AND OPTIONS AND SHARES PAID TO EACH EXECUTIVE CORPORATE OFFICER

(in €)	2014/2015	2013/2014
Gérard Brémond, Chairman and Chief Executive Officer		
Remuneration payable for the year	592,967	593,602
Value of options granted during the year	-	-
Value of performance-related shares granted during the year	-	-
TOTAL	**592,967**	**593,602**
Françoise Gri, Chief Executive Officer until 20 October 2014		
Remuneration payable for the year	27,264	504,582
Value of options granted during the year	-	-
Value of performance-related shares granted during the year	-	-
TOTAL	**27,264**	**504,582**

At its meeting on 20 October 2014, the Board of Directors of Pierre et Vacances SA decided to merge the functions of Chairman and Chief Executive Officer.

Consequently, since 20 October 2014, the Chief Executive Officer function has been taken on by Gerard Brémond, Chairman and Chief Executive Officer.

2.2.1.2 REMUNERATION COMPONENTS DUE OR RECEIVED FOR THE 2014/2015 FINANCIAL YEAR TO EXECUTIVE CORPORATE OFFICERS, PUT TO THE VOTE OF THE SHAREHOLDERS' COMBINED ORDINARY AND EXTRAORDINARY MEETING TO APPROVE THE FINANCIAL STATEMENTS TO 30 SEPTEMBER 2015

The tables below summarise the remuneration components due or received by the executive corporate officers for the 2014/2015 financial year and which will be put to shareholders, in accordance with the AFEP-MEDEF Code.

Remuneration components due or received by Gérard Brémond, Chairman and Chief Executive Officer, put to the vote of shareholders for the 2014/2015 financial year

Remuneration component	Amount *(in €)*	Comments
Fixed remuneration	500,000	No change compared with the previous year
Variable remuneration	90,000	No change compared with the previous year Bonus equal to 18% of the fixed remuneration
Benefits in kind	2,967	Company car

Furthermore, it should be noted that Gérard Brémond is not entitled to any of the following components of remuneration as Chairman and Chief Executive Officer of the Company: deferred variable remuneration, multi-year variable remuneration, special remuneration, share options, performance shares, attendance fees, termination benefits, non-compete benefits, supplementary retirement plan.

Remuneration components due or received by Françoise Gri's (Chief Executive Officer until 20 October 2014), put to the vote of shareholders for the 2014/2015 financial year

Remuneration component	Amount *(in €)*	Comments
Fixed remuneration	26,882	Gross amount between 1 October 2014 and 20 October 2014
Variable remuneration	-	
Share options, performance shares and any other long-term component of remuneration	-	
Benefits in kind	382	Company car

Furthermore, it should be noted that Françoise Gri is not entitled to any of the following components of remuneration as Chief Executive Officer of the Company: deferred variable remuneration, multi-year variable remuneration, special remuneration, attendance fees, termination benefits, non-compete benefits, supplementary retirement plan. Following her resignation as executive corporate officer of S.I.T.I. SA and Pierre et Vacances SA, a termination benefit in the amount of €300,000 (gross) was granted to Françoise Gri.

2.2.1.3 SUMMARY OF COMMITMENTS GIVEN TO THE EXECUTIVE CORPORATE OFFICER

Executive corporate officer	Employment contract	Supplementary retirement plan	Compensation benefits due or liable to be due if positions are discontinued or changed	Compensation relating to a non-competition clause
Gérard Brémond Chairman and Chief Executive Officer	No	No	No	No

Gérard Brémond has been a Director since 3 October 1988. He was Chairman and Chief Executive Officer from 3 October 1988 until 16 November 2009, then Chairman of the Board of Directors from 16 November 2009 until 30 August 2012, Chairman and Chief Executive Officer from 30 August 2012 to 2 January 2013, then Chairman of the Board of Directors from 2 January 2013 to 20 October 2014. He has been Chairman and Chief Executive Officer since 20 October 2014.

2.2.1.4 SUMMARY OF REMUNERATIONS DUE OR PAID TO EACH CORPORATE OFFICER MEMBER OF THE EXECUTIVE MANAGEMENT COMMITTEE

	Remuneration in 2014/2015		Remuneration in 2013/2014	
(in €)	payable for the year	paid during the year	payable for the year	paid during the year
Gérard Brémond, Chairman and Chief Executive Officer				
Fixed remuneration	500,000	500,000	500,000	500,000
Variable remuneration	90,000	90,000	90,000	45,000
Special remuneration	-	-	-	-
Attendance fees	-	-	-	-
Benefits in kind	2,967	2,967	3,602	3,602
TOTAL	**592,967**	**592,967**	**593,602**	**548,602**
Françoise Gri, Chief Executive Officer until 20 October 2014(*)				
Fixed remuneration	26,882	26,882	500,000	500,000
Variable remuneration	-	-	-	265,500
Special remuneration	-	-	-	-
Attendance fees	-	-	-	-
Benefits in kind	382	382	4,582	4,582
TOTAL	**27,264**	**27,264**	**504,582**	**770,082**
Patricia Damerval, Deputy Chief Executive Officer	358,000	358,000		
Fixed remuneration	166,320	148,610	308,331	308,331
Variable remuneration	75,680	50,000	148,610	138,895
Special remuneration	-	-	50,000	50,000
Attendance fees	-	-	-	-
Benefits in kind	-	-	656	656
TOTAL	**600,000**	**556,610**	**507,597**	**497,882**

(in €)	Remuneration in 2014/2015 payable for the year	Remuneration in 2014/2015 paid during the year	Remuneration in 2013/2014 payable for the year	Remuneration in 2013/2014 paid during the year
Thierry Hellin, Deputy Chief Executive Officer				
Fixed remuneration	358,000	358,000	308,331	308,331
Variable remuneration	154,000	138,600	138,600	135,895
Special remuneration	88,000	50,000	50,000	-
Attendance fees	-	-	-	-
Benefits in kind	6,546	6,546	6,513	6,513
TOTAL	**606,546**	**553,146**	**503,444**	**450,739**
Martine Balouka-Vallette(**)				
Fixed remuneration	391,667	391,667	NA	NA
Variable remuneration	100,000	80,000	NA	NA
Special remuneration	30,000	-	NA	NA
Attendance fees	-	-	NA	NA
Benefits in kind	3,022	3,022	NA	NA
TOTAL	**524,689(***)**	**474,689**	**NA**	**NA**

(*) Françoise Gri left the Group from 20 October 2014. a termination benefit in the amount of €300,000 was granted to her.
(**) Remuneration from 2 December 2014, date of her nomination as a board member of Pierre et Vacances SA.
(***) €603,626 on an annual basis.

2.2.1.4 REMUNERATIONS OF OTHER NON-EXECUTIVE CORPORATE OFFICERS

Information in this table relates to non-executive corporate officers receiving only attendance fees or other special remuneration.

The Board of Directors establishes the rules for the allocation of attendance fees. These fees are paid based on the actual participation of the Director in the meetings of the Board and of the special committees, as applicable.

For 2014/2015, the rules for the allocation of attendance fees adopted by the Board of Directors at its meeting of 22 September 2015 are as follows:

- only directors not employed by Pierre et Vacances SA or by any of the companies controlled by Pierre et Vacances SA as defined in Article L. 233-16 of the French Commercial Code or by S.I.T.I. will be allocated attendance fees;
- for the 2014/2015 financial year, each director satisfying the above criterion will receive a total amount of €30,000 as remuneration for activities performed in their capacity as members of the Board of Directors;
- the amount of €30,000 will be reduced prorata for the number of Board meetings they did not attend relative to the total number of meetings during the year;
- from the second meeting the director did not attend, a €5,000 reduction shall be applied per missed meeting;
- the members of the Audit Committee will be allocated a fee of €1,000 per meeting, with the Chairman of the Audit Committee also receiving a flat fee of €1,000 per year;
- the members of the Remuneration and Appointments Committee will be allocated a fee of €1,000 per meeting, with the Chairman of the Remuneration and Appointments Committee also receiving a flat fee of €1,000 per year.

(in €)	Attendance fees allocated for 2014/2015	Attendance fees paid for 2014/2015(1)	Attendance fees allocated for 2013/2014	Attendance fees paid for 2013/2014(1)
Olivier Brémond				
Attendance fees	30,000	21,000	20,000	14,000
Other remuneration	-	-	-	-
Ralf Corsten				
Attendance fees	22,000	15,400	34,000	23,800
Other remuneration	-	-	-	-
Marc R. Pasture				
Attendance fees	27,000	-	28,000	-
Other remuneration	-	-	-	-
Delphine Brémond				
Attendance fees	30,000	30,000	15,000	15,000
Other remuneration	-	-	-	-
Andries Arij Olijslager				
Attendance fees	28,000	19,600	28,000	19,600
Other remuneration	-	-	-	-
TOTAL	**137,000**	**86,000**	**125,000**	**72,400**

(1) After deduction, if applicable, of withholding tax paid directly by Pierre et Vacances SA to the French tax authorities.

2.2.2 SHARE OPTIONS AND BONUS SHARES

2.2.2.1 GRANT POLICY

The grant policy followed hitherto by the Group identifies:

- occasional grants to a large number of Group managers;
- more regular grants, in principle on an annual basis, to key Group employees;
- special grants to Group employees (managers and non-managers).

This policy is likely to change during future years due to the legislative and regulatory changes in the accounting treatment for share options.

The Company states that, having signed up to the AFEP-MEDEF Corporate Governance Code:

- all bonus share plans are subject to performance-related conditions (with the exception of two plans, see table on pages 32 and 33);
- bonus shares are only granted to corporate officers if all performance-related conditions have been met;
- the Company has set up a system for linking employees' performance to the performance of the Company (introduction of a special profit-sharing agreement);
- share options were granted over the same calendar periods;
- share option plans are subject to attendance and/or performance requirements;
- corporate officers have agreed not to use hedging facilities until their term of office expires;
- in accordance with Internal Regulations, corporate officers are required to respect closed periods covering (i) the 30 calendar days prior to the date on which the half-yearly and annual consolidated financial statements are published as well as their actual publication dates and (ii) the 15 calendar days prior to the date of publication of the quarterly revenue, as well as the actual publication dates. The timetable for such closed periods is prepared on an annual basis.

2.2.2.2 SHARE OPTION PLANS

History of share subscription option plans

At 30 November 2015, there were no share subscription options outstanding.

	2003 option plan	2004 option plan	2005 option plan
Date of Shareholders' Ordinary Meeting	10/03/2003	11/03/2004	11/03/2004
Date of Board of Directors' Meeting	03/11/2003	07/09/2004	26/09/2005
Total number of shares that may be subscribed for at grant date	7,150	162,300	1,000
Number of shares that may be subscribed for by the ten employees granted the largest number of share options	7,150	51,000	1,000
Number of shares that may be subscribed for by current members of the Board of Directors (who are still members at 30/09/2015)	/	12,000	/
of which:			
Thierry Hellin		4,000	
Patricia Damerval		4,000	
Martine Balouka-Vallette		4,000	
Vesting date	04/11/2007	08/09/2008	27/09/2009
Subscription price(1)	€63.83	€66.09	€59.89
Expiry date	04/11/2013	08/09/2014	27/09/2015
Number of shares subscribed for	/	/	/
Total number of share options lapsed or forfeited	7,150	162,300	1,000
Total number of options outstanding at the end of the year	/	/	/

(1) The subscription price is the average share price quoted during the 20 trading sessions preceding the grant decision, less a 5% discount.

History of share purchase option plans

	2005 share purchase option plan	2006 share purchase option plan	2007 share purchase option plan	2008 share purchase option plan	2009 share purchase option plan	2011 share purchase option plan
Date of Shareholders' Ordinary Meeting	11/03/2004 and 10/03/2005	02/03/2006	02/03/2006	02/03/2006	14/02/2008	03/03/2011
Date of Board of Directors' Meeting	26/09/2005	21/07/2006	09/01/2007	07/01/2008	12/01/2009	03/03/2011
Total number of shares that may be purchased at grant date	28,000	16,500	46,875	38,375	5,000	222,500
Number of shares that may be purchased by the ten employees granted the largest number of share options	28,000	16,500	45,375	38,375	5,000	80,000
Number of shares that may be subscribed for by current members of the Board of Directors (who are still members at 30 September 2015)	12,000	/	12,000	12,000	/	70,000
Of which:						
Thierry Hellin	4,000		4,000	4,000		35,000
Patricia Damerval	4,000		4,000	4,000		35,000
Martine Balouka-Vallette	4,000		4,000	4,000		
Vesting date	27/09/2009	22/07/2010	10/01/2011	08/01/2012	13/01/2013	04/03/2015
Purchase price	€59.89(1)	€80.12(1)	€87.40(1)	€86.10(1)	€39.35(2)	€69.93(2)
Expiry date	27/09/2015	22/07/2016	10/01/2017	08/01/2018	13/01/2019	04/03/2021
Number of shares purchased	/	/	/	/	/	/
Total number of share purchase options lapsed or forfeited	28,000	5,000	/	/	/	78,000
Total number of options outstanding at the end of the year	/	11,500	46,875	38,375	5,000	144,500

(1) The purchase price corresponds to the average share price quoted during the 20 trading sessions preceding the grant decision, less a 5% discount.
(2) The purchase price corresponds to the average share price quoted during the 20 trading sessions preceding the grant decision without a discount.

Share options granted during the financial year to each corporate officer by the Company itself and by any Group company

None.

Share subscription or purchase options exercised during the financial year by each corporate officer

None.

Share options granted to the top ten employee beneficiaries who are not corporate officers, and options exercised by the latter

None.

2.2.2.3 BONUS SHARES

History of bonus share plans

	2007 plan	2007 plan	2008 plan	2009 plan
Date of Shareholders' Ordinary Meeting	10/03/2005	10/03/2005	10/03/2005	14/02/2008
Date of Board of Directors' Meeting	09/01/2007	09/01/2007	07/01/2008	12/01/2009
Total number of beneficiaries	2,207	9	8	57
Total number of shares granted initially	11,035	16,010	13,010	84,135
Total number of shares granted to current members of the Board of Directors (who are still members at 30/09/2015)	15	4,500	4,500	30,000
Of which:				
Thierry Hellin	5	1,500	1,500	5,000
Patricia Damerval	5	1,500	1,500	5,000
Martine Balouka-Vallette	5	1,500	1,500	20,000
Starting date of the vesting period	09/01/2007	09/01/2007	07/01/2008	12/01/2009
Starting date of the lock-in period	10/01/2009	10/01/2009	08/01/2010	13/01/2011
Duration of the lock-in period	2 years	2 years	2 years	2 years
Grant conditions and criteria	Attendance conditions	Attendance and performance related conditions	Attendance and performance related conditions	Attendance and performance related conditions (2)
Number of shares to be granted	Shares to be issued	Treasury shares	Treasury shares	Treasury shares
Number of shares cancelled	2,370	/	/	40,727(1)
Number of shares vested	8,665	16,010	13,010	43,408
Potential dilution resulting from the vesting of shares	8,665			

(1) At its meeting of 1 December 2009, the Board of Directors found that only some of the performance-related conditions had been met for the first half of the shares granted on 12 January 2009 and 12 February 2009.
At its meeting of 18 January 2011, the Board of Directors found that the performance-related conditions had not been met for the second half of the shares granted on 12 January 2009.
At its meeting of 14 February 2011, the Board of Directors found that none of the performance-related conditions had been met for the second half of the shares granted on 12 February 2009.

(2) Performance-related conditions applying to the first half of the shares granted: the indicators are EBIT, cash flows from operations (excluding acquisitions), as well as external indexes (SBF 250, property values and tourism values).
Performance-related conditions applying to the second half of the shares granted: the indicators are profit or loss attributable to owners of the Company, cash flows from operations (excluding acquisitions), and the external indexes listed above

Bonus shares granted during the 2014/2015 financial year to each corporate officer

None.

Bonus shares becoming available during the 2014/2015 financial year for each corporate officer

None.

2009 plan	2009 plan	2013 plan	2013 plan	2013 plan	2014 plan	2014 plan
12/02/2009	12/02/2009	06/03/2012	06/03/2012	06/03/2012	13/03/2014	13/03/2014
12/02/2009	12/02/2009	28/05/2013	03/09/2013	02/12/2013	26/05/2014	02/12/2014
2	1	50	2	4	3	1
3,325	6,575	229,768(3)	13,333(3)	15,555(3)	20,889(4)	2,222(4)
/	/	41,000	/	/	/	/
		15,000				
		15,000				
		11,000				
12/02/2009	12/02/2009	28/05/2013	03/09/2013	02/12/2013	26/05/2014	02/12/2014
13/02/2011	13/02/2011	01/01/2016	01/01/2016	01/01/2016	01/01/2017	01/01/2017
2 years	2 years	2 years	2 years	2 years	2 years	2 years
Attendance and performance related conditions (2)	Attendance conditions	Attendance and performance related conditions	Attendance and performance related conditions	Attendance and performance related conditions	Attendance and performance related conditions	Attendance and performance related conditions
Treasury shares	Treasury shares	Treasury shares	Treasury shares	Treasury shares	Treasury shares	Treasury shares
2,685(1)	/	42,111	/	/	/	/
640	6,575	/	/	/	/	/
None, the bonus shares granted being existing shares						

(3) The number of shares to be vested under this plan is subject to a performance-related condition based on share price performance. The performance-related requirement at maturity will be calculated on the volume-weighted average Pierre et Vacances share price for all trading days in October, November and December 2015. The volumes appearing in this table are the maximum for 100% achievement of the performance-related condition.

(4) The number of shares to be vested under this plan is subject to a performance-related condition based on share price performance. The performance-related requirement at maturity will be calculated on the volume-weighted average Pierre et Vacances share price for all trading days in October, November and December 2016. The volumes appearing in this table are the maximum for 100% achievement of the performance-related condition.

Bonus shares granted in 2014/2015 to the top ten employee beneficiaries who are not corporate officers (general information)

2,222.

2.2.3 OTHER INFORMATION AND COMMITMENTS

2.2.3.1 LOANS AND GUARANTEES ISSUED BY PIERRE ET VACANCES SA

No loan or guarantee has been granted by Pierre et Vacances SA to the members of the Group Executive Management Committee or the Board of Directors.

2.2.3.2 DIRECTOR INVESTMENTS IN THE CAPITAL OF PIERRE ET VACANCES SA

There is no convention, agreement or partnership between the Company and the members of the Group Executive Management Committee or the Board of Directors concerning a restriction on the sale of their investments within a period of time.

2.2.3.3 PRIVILEGED INFORMATION – SHARE TRANSACTIONS

Because of the particular knowledge they have of the Company, its plans and its results, the directors are required to exercise strict vigilance in their transactions involving the Company's shares.

The directors undertake to keep, in registered form, throughout their term of office, the shares they acquired when they took up office; they also undertake to register in their name all shares subsequently acquired.

The directors more generally undertake to strictly observe the recommendations of the AMF (French Market Authority) concerning executive and non-executive corporate officers declaring transactions involving shares in their Company.

In order that Pierre et Vacances SA can itself abide by these AMF recommendations, directors must declare to the AMF and Pierre et Vacances SA any transactions concerning their shares within five days of the transaction. This obligation does not apply when the total value of transactions performed over the calendar year is less than €5,000.

Further, the Internal Regulations of the Board of Directors stipulate that, in addition to the period preceding the publication of privileged information to which they are privy, directors must also refrain from any share transactions during the 30 days prior to the publication of the annual and half-yearly results and during the 15 days prior to the publication of the quarterly revenue. They must also abstain from such transactions on the day on which this information is published.

Summary of trading in the Company's shares referred to in Article L. 621-18-2 of the French Monetary and Financial Code(7) over the course of the last financial year:

None.

2.2.3.4 OTHER SHARES GIVING ACCESS TO THE CAPITAL

None.

(7) Trading in the Company's shares by the executives, related persons and their close relatives.

2.3 RISK MANAGEMENT

The Pierre & Vacances-Center Parcs Group has carried out a review of the risk factors that may have a significant negative impact on its activities, the profitability of these activities or its income.

The Pierre & Vacances-Center Parcs Group has not found any significant risks other than those presented below.

2.3.1 MARKET RISKS

The market risks (liquidity risk, interest rate risk and foreign exchange risk) are described in Note 21 of the notes to the consolidated financial statements.

In particular, the Group has carried out a specific review of its liquidity risk and considers that it is able to meet its future maturities.

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

- **the Tourism business** has some unique competitive advantages: it is based on the concept of local tourism, which benefits a European customer base by alleviating the expenses and uncertainty associated with the energy cost of transport, and the diversity of the products, distributed over five main brands in top seaside, mountain, city and countryside locations, mainly in the form of villages and residences meets a very wide range of needs, appealing to different generations and socio-professional categories;
- **as far as property development is concerned,** the measures put in place and described below limit the sensitivity of property development products to changes in the property market. The marketing of apartments managed by the Pierre & Vacances-Center Parcs Group gives investors a guaranteed return on a long term investment in the underlying property market and constitutes a secure investment alternative to a classic portfolio of securities or real assets.

2.3.2 SPECIFIC RISKS RELATING TO THE GROUP'S ACTIVITIES

2.3.2.1 RISKS RELATING TO THE SEASONAL NATURE OF THE TOURISM BUSINESS

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

The activity of the residences and villages operated under the Pierre & Vacances and Maeva brands has a clear seasonal nature. It is based around two seasons, a winter season (November to April) and a summer season (May to October), resulting in a structural deficit for the first two quarters of the financial year. Rental revenue generated by these residences and villages in the first half of the 2014/2015 financial year represented only 38% of the annual rental revenue, while fixed operating expenses (including rents) were spread on a straight-line basis across the whole financial year.

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

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

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

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

2.3.2.2 RISK RELATED TO THE CYCLICAL NATURE OF THE PROPERTY MARKET

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

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

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

2.3.2.3 INVENTORY RISKS

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

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

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

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

The "Principal stock of apartments marketed at 30 September 2015" table, which appears on page 68, shows the percentage sold. 66% of the programmes have been sold on average.

Thanks to extensive pre-selling, very few unsold units remain (only the Manilva programme in Spain, which has been hit especially hard by the property crisis, still has 175 unsold apartments, but this number is decreasing year after year). To sell the remaining units, the Group may decide, on an *ad hoc* basis, to offer certain benefits to the last few buyers (payment of notary fees, free Pierre & Vacances holidays, etc.) to close the deal.

2.3.2.4 CREDIT RISK

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

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

In the tourism business, risk of non-payment by customers is low because most of the accommodation revenue is achieved by direct sales (79% for the 2014/2015 financial year), a marketing method in which payment for the service is made in advance of consumption.

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

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

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

2.3.2.5 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 rents payable by the Group over the remainder of the leases amount to €2,285 million at 30 September 2015, *i.e.* €1,745 million discounted at a 6% rate (see Note 36 of the notes to the consolidated financial statements – Off-statement of financial position commitments).

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

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

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

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

In this context, the Group has started in 2012/2013 to introduce a policy of reducing rents on the Pierre & Vacances and Adagio sites, primarily through:

- the change in the benchmark index of accrued leases (from the ICC to the IRL), starting from 2013, to ensure consistency between the performance of the tourism business and the level of rents. Since the February 2008 law on purchasing power, the IRL (Rent Reference Index) corresponds to the average change in consumer prices (excluding tobacco and rents) over the past 12 months. At 30 September 2015, only 10% of the individual Pierre & Vacances leases are still indexed to the ICC;
- renegotiation of leases when they are renewed:
  - the maximum annual indexation is capped at 2% (uniformly applied to all new contracts). This policy is expected to increase the capped portion of rents paid to individual investors to over 90% in 2017 (100% in 2019),
  - maintenance or reduction of cash rents, on a residence-by-residence basis, possibly associated with an increase in the occupancy rate to compensate the owners,
  - introduction of variable rents,
  - in some cases, operating under management agreements or potentially withdrawing from certain operations;
- activation of three-year maturities for some residences.

These steps should gradually decrease the Pierre & Vacances and Adagio rent expense of €67 million (including indexation[8] and excluding development of the offering) between 2012/2013 and 2018/2019.

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

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

2.3.3 LEGAL RISKS

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

2.3.3.1 GENERAL RISKS

Property development

Risk relating to failure to obtain local government authorisations

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

Risk relating to construction defects

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

Risk relating to ownership of property assets

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

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

Tourism operations and management

Risks relating to tourism operations

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

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

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

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

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

2.3.3.2 LABOUR RISKS

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

2.3.3.3 RISKS RELATING TO DAMAGE TO THE BRAND IMAGE

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

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

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

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

2.3.3.4 INDUSTRIAL AND ENVIRONMENTAL RISKS

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

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

2.3.3.5 DESCRIPTION OF ONGOING DISPUTES

The project to build a Center Parcs in the community of Roybon in Isère has been opposed by a number of associations (see Notes 2 and 12 of the appendix to the consolidated accounts). The prospective completion of legal procedures underway (concerning the water law, as well as demands to suspend execution and cancel the substance, and protected species) is estimated at the end of 2016.

With the exception of these procedures, for which the Group expects no financial risk, as of 30 September 2015 and for the past 12 months, no governmental, legal or arbitrage procedure (including all procedures of which the Group is aware that are suspended or from which it is threatened) presents, either individually or globally, a significant risk to the Group's balance sheet or profitability.

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

The amount of provisions for disputes at 30 September 2015 is detailed in Note 17 – Provisions of the notes to the consolidated financial statements.

Property development

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

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

Operation and management of tourism activities

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

2.3.3.6 RISKS OF REGULATORY CHANGES

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

2.3.3.7 RISK INSURANCE AND COVER

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

The overall budget allocated to this cover was €5 million (excluding construction) for the 2014/2015 financial year, a stable figure in terms of premium volumes and coverage levels compared with the previous financial year.

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

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

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

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

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

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

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

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

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

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

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

2.3.4 IT RISKS

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

2.3.5 MAJOR CONTRACTS

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

The off-statement of financial position commitments are provided in Note 36 of the notes to the consolidated financial statements.

2.3.6 RISK OF DEPARTURE OF KEY PERSONNEL

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

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

2.4 CHAIRMAN'S REPORT ON THE ORGANISATION OF THE BOARD OF DIRECTORS AND INTERNAL CONTROL PROCEDURES

In accordance with Article L. 225-37 of the French Commercial Code, the Chairman of your Board of Directors hereby reports on Board composition and the application of the principle of balanced representation of men and women on the Board, on how the Board prepares and organises its work and on the internal control and risk management procedures applied within the Group.

At its meeting of 24 November 2015, the Board of Directors, which has been involved in preparing this report, approved its content, in accordance with the provisions of Article L. 225-37 of the French Commercial Code.

2.4.1 CONDITIONS FOR PREPARING AND ORGANISING THE WORK OF THE BOARD OF DIRECTORS

2.4.1.1 CHOICE OF CORPORATE GOVERNANCE CODE

In accordance with the provisions of Article L. 225-37 of the French Commercial Code, the Company indicates that it refers to the corporate governance code for listed companies drawn up by the AFEP and the MEDEF, last revised in November 2015. The Code can be consulted on the website of the MEDEF (www.medef.com).

The Code's recommendations are part of the approach to corporate governance taken by the Pierre & Vacances-Center Parcs Group, it being specified that their application must be appropriate for the size and history of the Company.

As regards the "Apply or Explain" rule outlined in Article L. 225-37 of the French Commercial Code and referred to in Article 25.1 of the AFEP-MEDEF code, the Company believes that its practices comply with the recommendations of the AFEP-MEDEF code, apart from the points below:

Proportion of independent directors Only one director can be considered to be independent in the sense of the Article 9.2 of the Code: at least one-third of directors of controlled entities should be independent.	Only one director can be considered to be independent in the sense of the AFEP-MEDEF Code(*). The Company believes, however, that Marc Pasture and Andries Olijslager are persons from outside the Group whose freedom of judgement is not compromised, despite the fact that they cannot be considered to be independent directors in the sense of the AFEP-MEDEF Code.
Staggering of terms of office Article 14 of the Code: Terms of office should be staggered so as to avoid block renewals and to encourage the smooth re-election of directors.	The interplay between various cooptations and appointments over recent years has prevented the organisation of a staggered renewal of terms of office.
Proportion of independent directors within the Audit Committee Article 16.1 of the Code: the proportion of independent directors in the Audit Committee must be at least two thirds.	See above, explanation regarding the percentage of independent directors. In addition, the Chairman of the Audit Committee, who cannot be considered to be independent under the AFEP-MEDEF Code, is assisted in his work by an independent director.
Time-limit for inspection of the financial statements by the Audit Committee Article 16.2.1 of the Code: enough time should be given for the Audit Committee to inspect the financial statements (minimum of two days prior to examination by the Board of Directors).	Since the members of the Audit Committee are non-residents, it is difficult, for obvious practical reasons, to fulfil this requirement. The Audit Committee meeting is, generally speaking, held on the eve of the Board of Directors' meeting. Members of the Audit Committee do, however, have access to all of the documents and disclosures required for them to perform their duties within deadlines allowing them to satisfactorily familiarise themselves with, and examine, such documents and disclosures.
Remuneration Committee Article 18.1 of the Code: It must be (i) composed mainly of independent directors and (ii) chaired by an independent director.	See above, explanation regarding the percentage of independent directors. In addition, the Chairman of the Remuneration Committee, who cannot be considered to be independent in the sense of the AFEP-MEDEF Code, is assisted in his work by an independent director.
Remuneration of executive corporate officers Article 23.2.1 of the Code: executive corporate officers shall retain a significant number of registered shares, to be set periodically by the Board of Directors, until the end of their term of office.	Gérard Brémond owns 44.25% of issued capital *via* his asset holdings.

(*) *The renewal of board member Ralf Corsten's mandate is to be proposed to the Annual General Meeting on 4 February 2016. In accordance with the AFEP-MEDEF code, the loss of the title of independent board member by Mr Corsten should only take place once the renewed mandate has expired, namely following the Annual General Meeting due to rule on the accounts for the year ending 30 September 2018. Independently of the criteria set by the AFEP-MEDEF code, the Company considers that Mr Ralf Corsten is someone external to the Group whose freedom to judge has not been undermined. In addition, the nomination of four new board members is to be proposed to the Annual General Meeting on 4 February 2016, three of which could be considered independent in accordance with the AFEP-MEDEF code.*

2.4.1.2 ORGANISATION OF THE BOARD OF DIRECTORS

Composition of the Board of Directors

The Board of Directors of Pierre et Vacances SA has nine members, one of whom is classed as an independent director in accordance with the criteria given in the AFEP-MEDEF Code.

A summary table containing detailed information on the composition of the Board of Directors and a list of the terms of office held by Board members in other companies is given on pages 20 to 23 of the Registration Document.

The term of office of directors is three years. Each of the directors was re-elected or appointed until the end of the Shareholders' Ordinary Meeting to approve the financial statements for the financial year ending 30 September 2015.

Application of the principle of balanced representation of women and men on the Board of Directors

The Company already fulfils the first stage necessary for the balanced representation of women and men on Boards of Directors pursuant to the law of 27 January 2011[9].

Internal regulations

The Board of Directors has adopted a Directors' Charter and Internal Regulations governing how it functions and a Code of Conduct for directors with regard to their office. These rules incorporate a number

(9) The law of 27 January 2011 set a threshold of 20% representation of both genders to be achieved by the end of the first Shareholders' Ordinary Meeting held after 1 January 2014.

of legal requirements along with provisions designed to reinforce directors' independence of action and judgement in relation to the Company and to enhance control of the Company.

The Board of Directors amended its Internal Regulations on 6 March 2012 to incorporate a definition of the "blackout periods" for directors trading in Company shares, pursuant to the AMF recommendations on the prevention of insider misconduct.

The Board's Internal Regulations specify that the Board should carry out an annual appraisal of its operations.

In accordance with the AFEP-MEDEF Code, the Board's Internal Regulations are available on the Company's website.

Meetings of the Board of Directors

The meetings of the Board of Directors are scheduled on an annual basis. This schedule is adjusted and supplemented, if applicable, by additional meetings as and when the directors need to be consulted.

During the past financial year, the Board of Directors met six times, with an overall attendance rate of 83%. The average duration of each meeting was two hours and allowed examination and detailed discussion of the items on the agenda. Meetings of the Board of Directors are called by the Chairman. Documentation relating to agenda items is included with the meeting notice sent to each member of the Board of Directors in advance of Board meetings to allow them to prepare for discussions. The Chairman ensures that the directors receive all the information they require to perform their duties, in particular by the attendance of operational managers to present their activities and main results during meetings of the Board of Directors. Minutes of meetings of the Board of Directors are drawn up after each meeting and approved at the next meeting.

In accordance with Article L. 823-17 of the French Commercial Code, the Statutory Auditors were invited and attended Board Meetings held to examine and close the annual and half-yearly financial statements.

Meetings of the Board of Directors are usually held at the registered office or at any other venue as permitted by the articles of association. According to the provisions of Article L. 225-37, paragraph 3 of the French Commercial Code, directors also have the option to take part in the deliberations of the Board *via* videoconference or other methods of telecommunication. This option was used twice during the 2014/2015 financial year. In general, after the Board has reviewed and approved the minutes of the previous meeting's deliberations and decisions, the members discuss the items on the agenda. The discussions are organised and directed by the Chairman. He ensures that the Board examines all items on the agenda.

2.4.1.3 MISSIONS AND FUNCTIONING OF THE BOARD OF DIRECTORS AND ITS SPECIALIST COMMITTEES

Role of the Board of Directors

The Board of Directors determines the Company's key strategies and ensures their proper implementation and execution. The Board of Directors is briefed at least once a quarter on the activities of the Group's tourism and property development businesses, and examines the strategic aims of each business. It is regularly informed of the Group's revenue, the progress of significant operations and trends in the Group's markets. The Board approves significant changes to the Group's legal structure and major external and internal growth operations (acquisitions, launch of major property development programmes, property deliveries, etc.). Prior approval is required for transactions involving external financing, except in the case of normal property financing transactions that are not backed by guarantees issued by the parent company. Also, in accordance with the provisions of Article L. 225-35 of the French Commercial Code, any issuing by the Company of sureties, pledges or securities must be authorised in advance by the Board of Directors.

During the past financial year, the Board of Directors met six times. In addition to examining the annual and half-yearly financial statements and examining the activity and results of the tourism and property business segments, the main items of business reviewed were property transactions, developments, corporate governance (distribution of directors' attendance fees, self-evaluation by the Board of Directors, adoption of combined functions of Chairman of the Board of Directors and CEO as the method of exercising general management, attribution of performance shares, changes in the organisation of Center Parcs and Pierre & Vacances Tourisme).

Functioning of the Board of Directors

The functioning of the Board is governed by the Company's articles of association, some of the main points of which were amended by the Shareholders' Combined Ordinary and Extraordinary Meeting of 11 March 2004 and by the Shareholders' Combined Ordinary and Extraordinary Meeting of 14 February 2008 (reducing directors' terms of office from six to three years; prohibiting the appointment of directors aged over 70 (versus 75 previously) if the appointment means that the proportion of Board members aged over 70 would exceed a third of the total number; authorising directors to participate in Board meetings using video-conferencing or telecommunication facilities) and by Articles L. 225-17 *et seq*. of the French Commercial Code.

In accordance with its Internal Regulations, the Board of Directors' agenda includes, once a year, an assessment of the Board's work and the operation of the Board is discussed. Note that in view of the company's size, the Board of Directors has not retained the AFEP-MEDEF measures concerning the assessment mechanism by an external consultant. In 2015, the annual assessment was the object of a debate during the Board of Directors meeting on 24 November 2015. During this meeting, the board members expressed their satisfaction concerning the way the Board of Directors functions and underscored the progress made especially in terms of providing financial information. The informal meetings of the Board of Directors were also considered very positive. At the end of the self-assessment on 24 November 2015, the decision was therefore made to strengthen this type of meeting and regularly organise meetings on site concerning operating themes, in order to gain better knowledge of the product in new destinations.

Role of the specialist Committees

The Board of Directors has two permanent specialist Committees to help it prepare its decisions effectively: the Audit Committee and the Remuneration and Appointments Committee.

The specialist Committees are composed of members of the Board of Directors. The Board appoints the members and the Chairman of each of the Committees.

The Audit Committee

The Audit Committee has two members (Board members without operational functions), one of whom is independent according to the AFEP-MEDEF criteria. These members have the required skills in accounting, finance, internal control and risk management.

The Committee assists the Board in examining and approving the annual and half-yearly financial statements and, occasionally, with all operations or events that could have a significant impact on the situation of the Group, or its subsidiaries, in terms of commitments and/or risk.

In accordance with Article L. 823-19 of the French Commercial Code, and without prejudice to the authority of the Board of Directors which it does not replace, the Audit Committee is in particular responsible for monitoring the following issues:

- the process of preparing financial information;
- the efficiency of internal control and risk management systems;
- the auditing of the annual financial statements and consolidated financial statements by the Statutory Auditors;
- the independence of the Statutory Auditors.

In order to carry out its duties, the Audit Committee has access to all accounting and financial documents. It interviews those in charge of preparing the financial statements and the Statutory Auditors in order to obtain assurance that the latter have had access to all the information required to perform due diligence.

During the 2014/2015 financial year, the Audit Committee met twice (in December 2014 and May 2015), to examine the 2013/2014 financial statements and the half-yearly financial statements at 31 March 2015.

The Remuneration and Appointments Committee

The Remuneration and Appointments Committee has two members (Board members without operational functions).

The Remuneration and Appointments Committee is responsible for presenting proposals or recommendations to the Board of Directors relating in particular to:

- the overall remuneration policy of the Company's executive corporate officers;
- the type and method for calculating the remunerations of these executives after comparison with the practices observed in other companies;
- share options or bonus share grants;
- the appointment of directors and the appropriateness of renewing terms of office;
- and, generally, any question submitted to it by the Chairman or the Board of Directors regarding the remuneration of executives and the composition of the Board of Directors.

The Remuneration and Appointments Committee met once in the 2014/2015 financial year. At this meeting, the Committee worked on variable remuneration for eligible employees and the allocation of performance shares.

2.4.1.4 POWERS OF THE EXECUTIVE MANAGEMENT

The meeting of the Board of Directors held on 20 October 2014 decided to combine the functions of Chairman and Chief Executive Officer.

Since 20 October 2014, Gérard Brémond has been Chairman & Chief Executive Officer, for the duration of his term of office, *i.e.* until the end of the Meeting held to approve the financial statements for the financial year ending 30 September 2015.

Powers of the Chairman of the Board of Directors

As Chairman of the Board of Directors, Mr Gérard Brémond organises and oversees the work of the Board of Directors and reports to the Shareholders' Ordinary Meeting. He ensures that the Company's corporate decision-making bodies operate effectively and in particular that the directors are in a position to fulfil their duties.

Powers of the Chief Executive Officer

As Chief Executive Officer, Gérard Brémond is vested with full powers to act on behalf of the Company in all circumstances. He represents the Company in its relations with third parties. No limitation has been placed on the powers of the Chief Executive Officer. However, these powers are subject to the limits of the company purpose and the powers explicitly allocated by the law to shareholder meetings and the Board of Directors.

2.4.2 SPECIAL PROCEDURES FOR THE INVOLVEMENT OF SHAREHOLDERS IN THE SHAREHOLDERS' ORDINARY MEETING

Detailed information on special procedures for the participation of shareholders in Shareholders' Ordinary Meetings is provided in the Company's articles of association (Section V – Shareholders' Ordinary Meetings) and is also summarised on page 215 of this Registration document.

According to Article 16 of the articles of association, any shareholder, irrespective of the number of shares they hold, is entitled, on proving their identity and shareholder status, to participate in Shareholders'Ordinary Meetings subject to book-entry of their shares at midnight (Paris time) at least two working days before the Shareholders' Ordinary Meeting. The recording or entry in the books of bearer shares held by an authorised intermediary is proven by a certificate of participation issued by the latter in accordance with legal and regulatory provisions.

2.4.3 REMUNERATION OF THE EXECUTIVE AND NON-EXECUTIVE CORPORATE OFFICERS

The company selected the AFEP-MEDEF Code as its benchmark code. Within the context of the "Comply or Explain" rule laid down in Article 25.1 of the AFEP-MEDEF Code, the Company believes that its practices comply with the recommendations of said Code with the exception of the points mentioned on page 43 of this Registration document.

The executive and non-executive corporate officers whose remunerations are detailed in the Board of Directors' report to the Shareholders' Ordinary Meeting receive fixed and variable remuneration in accordance with their employment contract with S.I.T.I.[10]. The determination of the variable remuneration is linked to the financial performance of the Pierre & Vacances-Center Parcs Group and the attainment of personal targets. They can be allocated options to subscribe for or purchase shares and be granted bonus shares in accordance with financial performance criteria.

There are no additional pension schemes specific to executive and non-executive corporate officers. They receive, in accordance with their contract of employment with S.I.T.I., an end-of-service lump sum payment calculated on the basis of the rules applicable to all salaried employees.

All of these rules apply to all members of the Executive Management Committee/COMEX.

2.4.4 INTERNAL CONTROL AND RISK MANAGEMENT MECHANISMS

2.4.4.1 OBJECTIVES AND PROCEDURE

The internal control procedures and organisation that follow are intended to identify, prevent and control the risks that the Group faces. Like any control system, it cannot however provide certainty that the risks are totally eliminated. The internal control procedures are mainly aimed at:

- supporting the Group in achieving its strategic and operational objectives;
- protecting the reliability, quality and availability of the financial information;
- protecting the Group's assets, human capital and brands;
- complying with the applicable laws and regulations.

The Group Executive Management, more specifically, the Deputy Executive Management in charge of Finance, Development, Auditing

(10) The Chairman and Chief Executive Officer has no employment contract with S.I.T.I., nor with any of the Pierre & Vacances-Center Parcs Group companies.

and Portfolio Management (hereinafter referred to as DGAF) responsible for steering the management of internal control procedures and the preparatory work and diligence required to produce this report. This report covers the Group's internal control procedures applied to the tourism and property development businesses. This report was drawn up based on interviews with the heads of the various Finance Departments, Group Internal Audit, as well as written information (descriptions of organisational structures and procedures, audit plans, etc.) provided by these departments.

This report describes the internal control procedures and organisation in force during the 2014/2015 financial year.

2.4.2.2 INTERNAL CONTROL PROCEDURES

Internal control procedures extend to all of the Group's business activities and are designed to provide a reasonable assurance, but not certainty, that risk factors are well managed and that the Group's objectives are being achieved.

Overview of procedures

Board of Directors

The Board of Directors has a two-fold responsibility:

- as a **corporate body of the parent company of the Group,** it takes decisions which lie beyond the sole control of the parent company's executive and non-executive corporate officers (pledges and securities, granting share options, preparing the interim and annual parent company and consolidated financial statements, etc.) and, in pursuance of these decisions, grants them special limited powers;
- as the **Group's supervisory body,** the Board is responsible for appointing and supervising the executive and non-executive corporate officers of the parent company and indirectly oversees the principal subsidiaries, which regularly report to it on the activities of the tourism and property development businesses in particular.

Other decision-making bodies

The "Société d'investissement Touristique et Immobilier" brings together the principal Managers of the Pierre & Vacances-Center Parcs Group. As part of its management activities, S.I.T.I. makes them available to the Group. As such, these executives are included on the Management Committees described below.

The set of rules of governance that have been put in place by the Group makes it possible to ensure – amongst other things – that S.I.T.I. SA does not abuse its powers of control:

- the Group Executive Management Committee includes executives mostly from Pierre & Vacances and Center Parcs structures;
- the other Committees include operational staff from Pierre & Vacances and Center Parcs to ensure that decisions are shared.

Executive Management Committee

The Group Executive Management Committee has four members: the Chairman and Chief Executive Officer, the two Group Deputy Chief Executive Officers and the Chief Executive Officer for the Tourism business.

The Committee meets once a week and decides on the strategic guidelines that need to be implemented to enhance the Group's operational performance, such as major financial balances (revenue, profit (loss), cash flow, data consolidation, etc.), consolidated risk management, brand strategy, product segmentation, the geographical spread of the development zones for the various brands, human resources. This Committee is also in charge of anticipating future changes in the Group's businesses, strategic planning and developing internal synergies within the Group.

The Management Committees

The Management Committees below are chaired by a member of the Executive Management Committee. Those Committees allow this member to supervise the actions of the management bodies of the Group's subsidiaries and corporate departments before, during and after important decisions are implemented, and to monitor the Group's day-to-day business.

Group Executive Committee (COMEX)

The Group Executive Committee has twenty members:

- Gérard Brémond, Chairman and Chief Executive Officer;
- Martine Balouka-Vallette, Chief Executive Officer, Tourism business;
- Patricia Damerval, Deputy Chief Executive Officer, Finances, Development, Audit, Asset Management;
- Thierry Hellin, Deputy Chief Executive Officer, Development, Legal, Human Resources, Sustainable Development, Purchasing, General Services;
- The Deputy Chief Executive Officer, Aparthotels Adagio;
- Eric Bleuze, Development Manager;
- Jean Chabert, Chief Executive Officer, Pierre & Vacances Développement;
- Paul Collinson, Head of Operational Innovation and Information Systems;
- The Chief Executive Officer, Tourism Sales;
- Martin de Neuville, Head of Purchasing;
- Isabelle de Wavrechin, Chair and Chief Executive Officer, Worldwide Invest Management (W2-IM);
- Loïc Delboulbé, Group Head of Human Resources;
- Bruno Derville, Chief Executive Officer of Pierre et Vacances Conseil Immobilier and Chairman and Chief Executive Officer of Les Senioriales;
- Vanessa Diriart, Deputy Chief Executive Officer, Center Parcs;
- Pascal Ferracci, Head of Finance, Group Operations and Services;
- Mark Haak Wegmann, Chief Executive Officer, Center Parcs;
- Leila Haddaoui, Chief Executive Officer, Pierre & Vacances Maroc;
- Philippe Pagès, Head of Asset Management;

- Charles-Antoine Pinel, Chief Executive Officer, Pierre & Vacances Tourisme;
- José-Maria Pont, Chief Executive Officer, Pierre & Vacances Espagne.

This Committee meets every two months. It steers the implementation of strategic plans and discuss on major operational initiatives required to enhance the Group's growth and performance.

Tourism Committee

The Committee is chaired by the Group's Chief Executive Officer for the Tourism business. Other members include the Deputy Chief Executive Officers of Center Parcs Europe and Pierre & Vacances Tourisme, the Deputy Chief Executive Officer for Tourism Sales, the Head of Operational Innovation and Information Systems, the Group's Head of Finance for Operations and Services, Group Head of Human Resources and the Group Head of Asset Management. The latter two may attend these meetings if invited.

This Committee meets once a month. It decides on the initiatives necessary to enhance the growth and performance of the Tourism business.

Development Committee

This Committee, comprising the Chairman and Chief Executive Officer, the two Group Deputy Chief Executive Officers, the Chief Executive Officer for Tourism and the Development Manager, meets each week in order to decide on development projects.

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, Chief Executive Officer for Tourism and Development Manager) and Accor (Chief Executive Officer for Hotel Development and his Deputy Chief Executive Officer).

Property Development Committee

The Property Development Committee meets twice a month. This Committee consists of the Chairman and Chief Executive Officer, the main executives of the Property Development business (Pierre & Vacances Développement and Pierre & Vacances Conseil Immobilier), the Development Manager, the Manager of the Treasury/Finance business segment and one Director representing the Tourism business. 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.).

Large Property Development Projects Monitoring Committee

The Large Property Development Projects Monitoring Committee consists of the Deputy Chief Executive Officer responsible for Finance, Development, Audit and Asset Management, the Chief Executive Officer for Tourism, the Chief Executive Officer of Pierre & Vacances Développement, the Directors and managers of the relevant Property Development Programmes, directors of the Pierre & Vacances & Center Parcs Business Lines and the Head of Operational Finance for the Property Development Business. This Committee meets every six weeks. It is kept up to date on the progress of the programmes monitored and proposes to the Property Development Committee the necessary decisions to control the cost price of each large development project and the effective delivery date for Tourism.

"Les Senioriales" Strategic Committee

The "Les Senioriales" Strategic Committee meets once a month. This Committee includes the Chairman and Chief Executive Officer, the Chief Executive Officer of Pierre & Vacances Développement, the Development Manager and the Chairman of Les Senioriales. It provides updates on the business and current projects, and authorises land purchases.

Management Board and Supervisory Board of Center Parcs Europe

The two corporate governance bodies of Center Parcs Europe NV, a Dutch company, are the Management Board and the Supervisory Board.

The Management Board of Center Parcs Europe NV has three members: the Chief Executive Officer, the Deputy Chief Executive Officer and the Group Finance Director for Operations and Services. The Management Board is required to comply with the instructions issued by the Supervisory Board in terms of the Company's financial, social and economic strategy. The Supervisory Board, consisting of three members (one of which is not executives of the Group), is specifically responsible for supervising more closely and advising the Management Board on a more regular basis. The Supervisory Board oversees the Management Board and the general conduct of the Company's business. It generally meets four times a year.

Corporate Departments

A number of the Pierre & Vacances-Center Parcs Group's corporate departments have been assigned internal control responsibilities. This is the case in particular for the Group Internal Auditing and the Finance Department for Operations and Services, which are part of the DGAF, as well as the Legal Department, Insurance and Risk Management Department and the Human Resources Department, which are part of the Deputy Executive Management.in charge of Legal Affairs (hereinafter the DGAJ). These corporate departments are centralised at the Group's Paris head office and the two above-mentioned Deputy Executive Management Departments report directly to the Chairman and Chief Executive Officer of the Pierre & Vacances-Center Parcs Group.

Their responsibilities include:

- ensuring that policies set at Group level, and within the subsidiaries and operational departments of the Pierre & Vacances-Center Parcs Group are being correctly applied (financial, legal, sustainable development, purchasing, human resources, etc.);
- implementing joint action on behalf of the subsidiaries and departments, each in its area of competence and in close liaison with the teams of the subsidiaries and departments (e.g.: covering the risks, drafting contracts or approving them, recording accounting transactions, drafting collective working agreements, etc.);
- assisting operational managers, where required, in their respective areas of expertise.

Centralising these functions within departments that are independent of the business segments allows the Group to enhance controls and reduce risk exposure, while ensuring that Group policies are applied consistently.

Summary of delegation and internal control structure

This structure is based on:

- a legal arrangement for each entity: a wholly-owned holding company, under a "flattened" organisation and legally independent subsidiaries with their own "business" Chief Executive Officers, and whose corporate governance bodies, where such exist (depending on the company's legal form), are made up of Group executives from outside the relevant business segment, in order to ensure optimum consultation, coordination and control by the parent company;
- an organisation centralising resources and monitoring activity Group wide. It includes two Deputy Chief Executive Officers.

This organisation ensures that policies and procedures are consistently applied across the Group, while allowing a high level of delegation of day-to-day responsibilities. Because the Company is organised by legal entity, a formal delegation scheme has been put in place by which each operational manager is given both the resources and personal responsibility for his actions.

Risk management

The main risks and the way they are covered are presented in paragraph 2.3 Risk management. Owing to the nature of its business, the Group mainly monitors risks related to the seasonal nature of its business, construction risks, and risks related to the stock of residences being marketed, receivables and rental commitments. The Group has implemented a market risk hedging and monitoring policy to manage its liquidity and interest rate risks.

The Group Legal Department is centralised and reports to the Group Deputy Chief Executive Officer in charge of Development, Legal Affairs, Human Resources and Sustainable Development in order to coordinate risk management. It intervenes upstream to secure the Group's legal commitments and monitors disputes involving all of the operational subsidiaries. A Risk Manager is responsible for handling insurance at Group level (including Center Parcs Europe) in order to optimise risk management (conservation/externalisation) and oversee the declarations of risks and claims.

From an operational point of view, the Operational Management of Center Parcs Europe and Pierre & Vacances Tourisme contains experts dedicated to operational safety (water quality, fire prevention, etc.) coordinate health and safety policy on sites for all customers and employees and take all actions necessary (training, operational audits, crisis management). Group Internal Auditing, in partnership with the Legal Department, monitors the mapping of Group risks.

As part of its task, interviews took place with key people in the Group in order to get an idea of the perception of risks within the Group.

The risks listed were assessed in terms of impact, frequency and level of control.

The Group is making its best efforts to work as a priority on the main potential risks by improving its level of control by implementing action plans. During the previous financial year, the mapping was updated and management objectives were set to reduce the Group's exposure to the main risks identified.

Description of the internal control procedures to produce financial and accounting information

The DGAF carries out the main internal control tasks relating to the preparation of financial and accounting information, primarily through its Internal Audit Department and the Finance Department for Operations and Services. A body of procedures and practices has been defined to ensure that action is taken to control risks which could have a material effect on the Group portfolio or adversely affect its ability to achieve its corporate objectives.

Organisation and role of the DGAF's finance departments

The DGAF is responsible for central and operational management functions within a framework of delegated responsibilities for each business.

Finance Departments

Financial Strategy/Financing Department

This Department is organised into two segments:

- The Strategic Operations and Group Financial Communication Department

This Department has two roles:

- **Strategic Operations:** it is responsible for all equity transactions which have an impact on the capital (capital increase, bond issue with an equity component, etc.),
- **Financial Communication:** it oversees the Group's external financial communication to financial analysts, investors and shareholders. It also checks and approves all financial information and press releases issued by the Corporate Communication Department and by the Tourism and Property Development Operational Departments, and ensures the overall coherence of external financial information disclosures.

- The Financing Department/Group Cash

This Department:

- structures Group financing and hedges interest rate risks using derivatives,
- plays an active role in securing finance from institutional partners, which invest in these assets operated by the Group,
- manages the cash flow of the subsidiaries, centralised in a cash pool,
- manages the distribution of the cash/debt position between banks, organises the Group's invitations to tender and ensures the consistency of information published in its scope of activity.

Finances, Operations and Services Department

This Department has four main segments:

- The Group's Operational Finance Department (DFO)
  - The Operational Finance Department leads and measures the economic performance of the Group's two business lines (Tourism and Property Development). It applies the financial objectives of the Group and of each business, checks and measures their achievement *via* the reporting system, and proposes any corrective action necessary. It is responsible for the budgeting process, business forecasts and medium-term operating profit (loss).
  - Generally, the Operational Finance Department assists operational departments on all financial matters (simulations, calculations, pricing policy, specific actions, etc.) and ensures the synthesis of the Group's financial performance. It takes part in the Tourism division's monthly Business Reviews, which are attended by the DGAF, Operational Finance Department, the Business Lines and the Sales Executive Management, in addition to the Executive Management of the Tourism division.
  - The DFO also advises on development issues (business plans, profitability simulations on new and renovated property programmes) and on the renewal or creation of leasing formulae or on the reorganisation and rationalisation of the operating businesses.
  - The Operational Finance Department actively participates in designing and implementing new front- and back-office tools.
- The Accounting Department
  - The Accounting Department ensures the Group's accounting rules are correctly applied throughout the Group. Checks on the production of accounting information are made at the level of each "organisational sub-group" by teams working in close collaboration with the management control department. The checks are carried out for each residence/village, then for each combined region; a check is also carried out by the corporate departments of the registered office which consolidate these data for each legal entity, then for each country in which the Group operates. These checks are supplemented by horizontal accounting checks on revenue, cash flows, suppliers, rental commitments, etc. Quarterly financial statements are prepared for each entity, for cross checking management reporting. At Center Parcs villages, financial accounts are closed on a monthly basis.
  - In addition to its role in producing accounts (the accounting tool is SAP across the Group), coordinating and checking accounting applications and procedures, the accounting function's role is to support operational managers in providing financial information. It also takes part in implementing administrative and sales IT tools.
  - To better meet the requirements of the Operational Departments, the Accounting Department is split into two parts: an Accounting Department for the *Tourism business and Holding companies* and an Accounting Department for the *Property Development* business:
    - the **Accounting Department for the *Tourism business* and *Holding companies*** is composed of (i) a Paris-based team which supports the *Tourism France* Business Line (Pierre & Vacances and Maeva brands) and the Center Parcs business in France, (ii) a team based in the Netherlands, in Kempervennen, which is responsible for the Center Parcs business in Belgium, the Netherlands and Germany, and (iii) a team based in Barcelona, providing financial monitoring of the Tourism business in Spain.

      In the three countries, the teams are organised around supplier, client, recovery and general accounting flows (including tax declarations, bank flows and flows concerning fixed assets).

      The financial management department for owners and joint-owners based in Paris, manages all of the joint-ownerships, multi-ownerships, data base management (leases, owners), financial relations with owners and management of the stock of accommodation units to market by the tourism France department. This department relies on local know-how in Barcelona and lKempervennen to manage the Spanish, Belgian, Dutch and German owners.

      Sales administration is responsible for invoicing, collection, payment reminders, customer account management, prevention and management of customer risks, management of disputes and processing refund claims for direct customers (call centres, Internet, etc.) and indirect customers (tour operators, travel agents, works councils, etc.). Sales administration is also responsible for keeping accounts for sales made at the various sites (management of cash received and reminders);
    - the **Accounting Department for the *Property Development*** business is the contact for each Programme Director for the financial monitoring of the projects (spending commitments, property margin, etc.).
- The Tax Department

The Tax Department:

- supervises and coordinates the Group's specific tax policies in each of the countries in which the Group operates (France, the Netherlands, Germany, Belgium, Italy and Spain);
- is directly responsible for the Group's tax consolidation in France;
- functionally supervises the work of the teams of the Accounting Department of the Tourism and Holding entities which oversee the tax entities located in the Netherlands, Germany and Belgium;
- advises and assists the operating departments in all issues relating to tax law.

- The Group Transformation Department – Financial Systems/ERP (DTSF)
  - The DTSF provides project management assistance for the Group's financial business lines. It assesses the needs of the operational and financial departments in terms of information systems and works with the Operational Innovation and Information Systems Department (which reports to the Group's General Tourism Department) to implement the tools required.
  - The DTSF is working to make the reporting tools and systems consistent within the various Business Lines. The implementation of an ERP (SAP) in 2012 was one of the first key stages of this strategy.
- The Finances, Operations and Services Department also includes the Consolidation Department, which is responsible for preparing, analysing and publishing the Group's consolidated financial statements (financial and management accounts).

The Development Department

This Department is responsible for:

- external growth operations, acquisitions of property assets (mainly tourist residences) or businesses goodwill;
- asset disposals;
- structuring finance (equity/debt – in partnership with the Financing Department) for projects in France (searching for institutional investors – Center Parcs, Villages Nature, etc.).

The Strategic Planning Department

- Coordinates all of the development projects for Center Parcs in Europe. This function covers the development strategy, market analysis, business plans, the structuring of financing (equity/debt – in partnership with the Financing Department) for new Center Parcs projects in Belgium, the Netherlands and Germany, as well as the coordination of scheduling by the Project Committees.
- Approaches potential investors for the financing of international development projects.

Portfolio Management Department

- The Portfolio Management Department acts as the liaison between the owners and all of the Group Operational Departments for all issues relating to leases and property management of the owners' portfolio.
- It brings together all the teams and functions dedicated to management of relationships, contracts and properties with regard to owners and multiple owners.
- This department works in three areas:
  - owner relations (communication, management of stay fees, management of multiple owners, etc.);
  - property management (management activity and co-ownership syndicates);
  - renewal of leases.

Group Internal Audit Department

- This Department, which reports to the DGAF, was set up during the 2009/2010 financial year to make the internal control mechanisms more efficient.
- It works with the Group's various business segments, as part of an annual audit plan and *via* one-off missions at the request of the Group Executive Management. The tasks and themes dealt with may affect all of the Group's businesses and subsidiaries.
- The Operational Finance Department actively participates with the Group Internal Auditing and Operating Control in financial audit tasks, but also social and regulatory audits of tourism operations related to holiday residences. These audits are mainly carried out on the operating sites (residences or villages from all the brands). In addition, the Operational Finance Department issues and distributes procedures aimed at limiting the risks of financial losses on-site. The main aim of the on-site audit missions is to ensure that procedures are correctly applied, but also, working closely with the Human Resources Department, to ensure that social obligations and labour laws concerning advertising, keeping of registers, etc. are correctly applied.
- The main areas of risk covered by the internal audit are:
  - ensuring that revenue generated on-site is reported correctly and is optimised. It verifies that services provided have been invoiced correctly. Checks are also made on the correct application of pricing terms and justification of any discounts given. Finally, revenue deletions and reimbursements are traced and analysed;
  - the security of property and financial assets. As such, the audit verifies in particular that proper security procedures are deployed on each site to protect cash receipts and deposits. Checks are also made on bank deposits to ensure their accuracy and consistency;
  - collection and level of payments outstanding from customers. To ensure optimum recovery, many points are examined: production and strict application of standardised contracts for the groups and seminars, reminders to debtors according to the deadlines given, collection of guarantee deposits, proper recording of client addresses;
  - purchasing flows; approval of suppliers as part of the Group's common purchasing policy and its application. The validation of order forms, receipts and payment authorisations also receives particular attention during these audits.
- The sites audited are either selected by Group Internal Audit at random or according to their profile (holiday villages have greater risk exposure than small residences) or in response to specific requests from Executive Management. A strengthened programme is in place for the Center Parcs villages, given their particular business volume: performance of a complete audit every two years followed by a re-audit in six months, as well as an "unannounced inspection" from the Group Internal auditing Department, or a specialised company; these visits may be of a preventive nature or take place in response to suspicions of fraud.
- Group Internal Audit also carries out audits on specific subjects (application of ISO 14001 environmental management standard, compliance with procedures, etc.).
- At the end of each audit assignment, audit reports are drawn up and submitted to the audited sites, to Executive Management and to the external auditors for the larger sites. An action plan is drawn up in collaboration with the site managers concerned and follow-up assessments are performed within a maximum of six months of the initial audit to ensure that the report's recommendations have been applied.
- Theft and fraud prevention procedures have been put in place. These procedures include, for the Center Parcs villages, a quarterly self assessment questionnaire for each village covering the key control indicators. Visits by the Internal Audit Department to villages also allow them to check whether these questionnaires are accurate.

Reporting system

The operations monitoring and control process is built upon a medium-term business plan, budget planning, re-forecasting and the reporting cycle for all of the Group's activities.

The five-year strategic business plan setting out the Group's strategy is usually produced in July and updated during the year in order to ensure consistency between short and medium-term objectives. This plan is drawn up based on the Group's strategic choices and developments, taking into account property developments, changes in site inventory, recovery and renovation of assets, pricing trends and forecasts for occupancy rates. The first year of this business plan is used to define, at the end of July, a budgetary framework for the next financial year.

The budgeting process is organised and supervised by the Operational Finance Department in coordination with the businesses and Operational Departments. It has three phases:

- the pre-budget makes it possible for Property Development to identify the programmes and corresponding margins and for the tourism business to estimate the revenue by season and by brand from the development of the offering, the sales strategy and the operational expenses (advertising, personnel, rent, etc.) according to the assumptions of distribution policies, investment plans, salary policy, indices;
- the framework refines the pre-budget assumptions, in particular for all of the personnel structures and on the tourism businesses through operator validation of the sales targets, variable expenses, and additional revenue streams on each site;
- the budget, finalised in September, consolidates all the assumptions validated for each property development programme and for sites that are already operational. Approved by Group Executive Management, it is broken down on a monthly basis to use as a reference for Group reporting and is sent to each of the operating entities.

Regular reforecasts for all businesses mean that the budget for the year can be revised in light of achievements to date.

In addition to this regular monitoring, **the Operational Finance Department also provides** tailor-made reporting solutions for each business line, which are analysed at monthly operational reviews and sent to the Group Executive Management.

- Weekly monitoring of tourism reservations enables the General Tourism Department, the General Sales Department and the Business Lines to optimise the sales policy and yield management, as well as allowing operators to adapt the organisation of operating sites in line with occupancy forecasts.
- Site operating expense reports are compared each month with monthly budgets and actual results recorded the previous year and given to the Business Line Managers and to the various operating managers in the regions concerned. These reports are also reviewed with the Business Lines. Marketing budgets and general expenses are also monitored on a monthly basis.
- Budgets for property development programmes are reviewed and revised each quarter with the relevant property Programme Manager.
- For the marketing of properties, the number of signed sales, advertising, marketing and sales expenses and general overheads are reviewed twice a month and examined in conjunction with the Sales Manager and the Marketing Manager.

2.5 STATUTORY AUDITORS' REPORT, PREPARED IN ACCORDANCE WITH ARTICLE L. 225-235 OF THE FRENCH COMMERCIAL CODE, ON THE REPORT BY THE CHAIRMAN OF THE BOARD OF DIRECTORS OF PIERRE ET VACANCES

Year ending 30 September 2015

To the Shareholders,

As the Statutory Auditors of Pierre et Vacances and pursuant to the provisions of Article L. 225-235 of the French Commercial Code, we present our report on the report prepared by the Chairman of your company in accordance with the provisions of Article L. 225-37 of the French Commercial Code for the financial year ended 30 September 2015.

It is the Chairman's responsibility to prepare and submit for the approval of the Board of Directors a report on the internal control and risk management procedures in place within the Company and containing the other information required by Article L. 225-37 of the French Commercial Code on the corporate governance system.

It is our responsibility to:

- report to you our comments on the information contained in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information;
- certify that this report contains the other information required by Article L. 225-37 of the French Commercial Code. It is not our responsibility to check the accuracy of this other information.

We conducted our work in accordance with professional standards applicable in France.

Information on internal control and risk management procedures relating to the preparation and processing of accounting and financial information

Professional standards require that we perform the necessary procedures to assess the fairness of the information provided in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information. These procedures mainly consist of:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information upon which the information presented in the Chairman's report is based and of the existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and of the existing documentation;
- determining if any material weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information that we may have noted in the course of our work are properly disclosed in the Chairman's report.

On the basis of our work, we have no comments to make on the information regarding the company's internal control and risk management procedures relating to the preparation and processing of the accounting and financial information contained in the report prepared by the Chairman of the Board of Directors in application of the provisions of Article L. 225-37 of the French Commercial Code.

Other information

We certify that the report by the Chairman of the Board of Directors contains the other information required by Article L. 225-37 of the French Commercial Code.

Paris and Paris-La Défense, 2 December 2015

The Statutory Auditors

AACE ÎLE-DE-FRANCE French member of Grant Thornton International		ERNST & YOUNG et Autres
Virginie Palethorpe	Michel Riguelle	Bruno Bizet

2.6 STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS AND COMMITMENTS

Year ended 30 September 2014

To the Shareholders

In our capacity as your Company's statutory auditors, we hereby present our report on regulated agreements and commitments.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements and commitments indicated to us, or that we may have identified in the performance of our engagement. We are not required to comment as to whether they are beneficial or appropriate or to ascertain the existence of any such agreements and commitments. It is your responsibility, in accordance with Article R. 225-31 of the French commercial code (Code de commerce), to evaluate the benefits resulting from these agreements and commitments prior to their approval.

In addition, it is our responsibility, where applicable, to report to you the information required by Article R. 225-31 of the French Commercial Code relating to the execution, during the year under review, of agreements and commitments previously approved by the Shareholders' Ordinary Meeting.

We performed the procedures we deemed necessary pursuant to the professional guidelines of the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes) regarding this type of assignment. These procedures consisted of verifying that the information provided to us was consistent with the relevant source documents from which it was taken.

Agreements and commitments submitted for approval by the Shareholders' Ordinary Meeting

Agreements and commitments authorised during the year:

We hereby inform you that we have not been advised of any agreement or commitment authorised during the past financial year to be submitted to the Shareholders' Ordinary Meeting for approval in accordance with Article L. 225-38 of the French commercial code.

Agreements and commitments already approved by the Shareholders' Ordinary Meeting

Agreements and commitments approved during previous financial years that remained in effect during the year:

In accordance with Article L. 225-30 of the French Commercial Code, we have been advised that the following agreements and commitments approved by your Shareholders' Ordinary Meeting in previous financial years remained in effect during the year:

With S.I.T.I. – Société d'investissement Touristique et Immobilier

Nature and purpose:

Sale and leaseback transaction with Zeeland Investments Beheer B.V.:

- S.I.T.I. had a freely transferable option to purchase 100% of the shares of the company Recreatiecentrum De Eemhof B.V., or the buildings of the Eemhof village (owned by CENTER PARCS DE EEMHOF B.V., a company wholly owned by Recreatiecentrum DE EZMHOF B.V.), initially exercisable within ten years. This term was extended by five years in 2009/2010, following the signing of a renovation programme for the Eemhof village and including 564 cottages for a total of €14.5 million. Therefore, if the option is exercised, S.I.T.I. would acquire 100% of the shares of Recreatiecentrum De Eemhof B.V., or ownership of the village buildings, on the 20th anniversary of the sale, i.e. 31 October 2023, for a price of €70 million.

- In addition, PIERRE ET VACANCES guaranteed to ZEELAND INVESTMENTS BEHEER B.V., for the duration of the lease, the payment of the rent due by its operating subsidiary.
- Lastly, Pierre et Vacances guarantees all obligations of the vendor under the sale contract, which were subscribed by DN 8 HOLDING B.V., including all representations and guarantees made to the purchaser.

This convention ended on 18 December 2014, when SITI SA sold its call option to a third party company, VMF Eemhof AG

Person involved:

The person involved in this agreement until 18 December 2014 is Gérard Bremond.

Paris and Paris-La Défense, France, 2 December 2015

The Statutory Auditors

AACE ÎLE-DE-FRANCE French member of Grant Thornton International		ERNST & YOUNG et Autres
Virginie Palethorpe	Michel Riguelle	Bruno Bizet

3

COMMENTS ON THE FINANCIAL YEAR

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3.1 COMMENTS ON THE CONSOLIDATED FINANCIAL STATEMENTS

3.1.1 SIGNIFICANT EVENTS

Significant events of FY 2014/2015 are described in Part 4 of the Registration Document, Note 2 of the notes to the consolidated financial statements, page 99.

3.1.2 RESULTS OF ACTIVITIES

Preamble:

IFRS 11 "Joint Arrangements", applicable to the Group as of the 2014/2015 financial year, involves the consolidation of joint ventures (primarily the Adagio and Villages Nature partnerships) using the equity method rather than the proportionate consolidation method.

The Group's operational reporting continues to consolidate joint ventures using the proportionate method, considering this presentation to be a better reflection of its performance measurement.

Income statement items and business indicators commented on below are taken from such operational reports. IFRS income statement reconciliations are shown in section 3.1.2.3.

3.1.2.1 GROUP REVENUE

Over the whole financial year (1 October 2014 to 30 September 2015), Group revenue was €1,436.3 million, an increase of 1.5% compared with 2013/2014.

(in € millions)	2014/2015	2013/2014	Change
Tourism business	**1,180.7**	**1,141.1**	**+3.5%**
of which rental revenue	*779.9*	*763.0*	*+2.2%*
Pierre & Vacances Tourisme Europe(1)	594.5	590.4	+0.7%
Center Parcs Europe(2)	586.2	550.7	+6.4%
Property development	**255.6**	**274.4**	**-6.8%**
TOTAL, FINANCIAL YEAR	**1,436.3**	**1,415.4**	**+1.5%**

(1) Pierre & Vacances Tourisme Europe includes the Pierre & Vacances, Aparthotels Adagio® and Maeva brands.
(2) Center Parcs Europe houses the Center Parcs and Sunparks brands.

Tourism business revenue was €1,180.7 million, up 3.5%, rising more sharply than in the two previous years.

Rental revenue rose by 2.2% (3.2% when corrected for offering effects[11]), mainly as a result of a rise in average net selling rates (+2.7%).

Occupancy rates were up for both business segments (Pierre & Vacances Tourisme Europe and Center Parcs Europe), at 71% compared with 70% in 2013/2014.

International customers accounted for 55% of the Group's rental revenue, up 2.7% compared with the previous financial year.

(11) **Pierre & Vacances Tourisme Europe:** significant reduction in holiday residence portfolio due to withdrawal from loss-making sites (Adagio access and seaside resorts in particular) and failure to renew leases.
Center Parcs Europe: increase in the number of holiday residences in operation as a result of the opening, on 29 June 2015, of the new Domaine du Bois aux Daims village in the Vienne region.

- **Pierre & Vacances Tourisme Europe** generated revenue of €594.5 million, including €401.6 million of rental revenue, down 1.1% on the previous financial year due to a significant reduction in its holiday residence portfolio. Corrected for offering effects, business was up 3.4%, benefiting from an improvement in average net selling rates and from a rise in revenue across all destinations:
  - seaside resort business (France, Spain and the French West Indies) was down 1.0%, but was up 4.7% when restated for loss of inventory as a result of the lease renewal policy and withdrawal from some residences. This positive performance was achieved as a result of rapid growth in French and International online sales;
  - revenue from mountain resorts, also hampered by a negative offering effect (business down 2.5%), was up 3.4% at constant scope;
  - city residences saw business remain unchanged, despite the Group's withdrawal from a dozen or so Adagio access residences, and growth in revenue of 1.9%, excluding the offering effect.
- **Center Parcs Europe** generated revenue of €586.2 million, including €378.3 in rental revenue, up 3.0% excluding the impact of the opening of the new Domaine du Bois aux Daims village.

This increased business was generated by BNG area sites[12] (+4.3%, including +6.6% in Belgium, +4.6% in Germany and +2.9% in the Netherlands) and a slight upturn in French sites (+0.3% excluding the Domaine du Bois aux Daims village).

Revenue from other tourism business was up 6.0%, driven by the success of marketing mandates, primarily in Spain.

Revenue from property development stood at €255.6 million.

This was mainly related to the contribution of the Center Parcs in Vienne (€110 million) and Bostalsee (€14 million), Villages Nature (€24 million), Flaine (€14 million) and the Senioriales programmes (€54 million).

As of 15 October 2015, property reservations with individual and institutional investors represented turnover of €327 million compared with €291 million in the year-earlier period.

3

Tourism business

Key indicators

(in € millions)	2014/2015	2013/2014	Change
Revenue	**1,180.7**	**1,141.1**	**+3.5%**
rentals	779.9	763.0	+2.2%
services[1]	400.8	378.1	+6.0%
Average Net Selling Rate (ASP)[2] (in €)	**629**	**612**	**+2.7%**
No. of weeks sold	**1,240,604**	**1,246,813**	**-0.5%**
Occupancy rate	**71.4%**	**70.3%**	**+1.6%**

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

- **The number of weeks sold** was down 0.5%, within the context of a reduction in sold inventory (the number of weeks offered was down 2.3%).

  The **average occupancy rate is** over 71%, an increase of 1.6% compared with the previous financial year.
- **Average net selling rates** were up 2.7%. There were price rises for both Pierre & Vacances Tourisme Europe (2.2%), with a price rise across all destinations, and for Center Parcs Europe (2.6%).

(12) Belgium, the Netherlands and Germany.

Features of the holiday residence portfolio at 30 September 2015

(in number of apartments)	2014/2015	2013/2014	Change
Pierre & Vacances Tourisme Europe	**30,607**	**33,108**	**-2,501**
o/w Pierre & Vacances (excluding premium label)	17,906	19,276	-1,370
o/w Pierre & Vacances premium	2,744	2,690	+54
o/w Maeva	1,050	1,845	-795
o/w Adagio and Adagio access	8,907	9,297	-390
Center Parcs Europe	**15,498**	**14,693**	**805**
o/w Center Parcs	13,750	12,945	805
o/w Sunparks	1,748	1,748	-
TOTAL	**46,105**	**47,801**	**-1,696**

The holiday residence portfolio managed by the Group at 30 September 2015 fell by almost 1,700 apartments compared with 30 September 2014. This reduction is mainly due to:

- the withdrawal of residences after expiry of Adagio access leases (1,079 apartments), PV leases (611 apartments, including 240 in Spain) and Maeva leases (572 apartments);
- losses of leases on the Pierre & Vacances (812 apartments) and Maeva (223 apartments) brands;
- this partially offset the effect of the opening of Center Parcs Domaine du Bois aux Daims (800 new cottages), four new Adagio access residences (nearly 500 new apartments), two Adagio aparthotels (207 new apartments) and the PV premium residence in Flaine (107 new apartments).

Breakdown of Group rental revenue by customer origin

	Pierre & Vacances Tourisme Europe		Center Parcs Europe		Total	
	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014
France	59.5%	59.5%	29.2%	28.4%	44.8%	44.9%
The Netherlands	7.0%	7.8%	25.6%	27.0%	16.1%	16.8%
Germany	2.9%	2.8%	25.5%	25.6%	13.9%	13.5%
Belgium	3.1%	3.0%	13.4%	13.6%	8.1%	7.9%
UK	5.4%	5.1%	2.6%	2.0%	4.0%	3.6%
Spain	2.8%	2.8%			1.4%	1.5%
Switzerland	2.2%	1.1%			1.1%	0.6%
Italy	1.9%	1.8%			1.0%	1.0%
Scandinavia	1.3%	1.3%	0.4%	0.3%	0.9%	0.8%
Russia and Eastern European Countries	1.1%	2.8%			0.5%	1.5%
Other	12.8%	12.0%	3.3%	3.1%	8.2%	7.9%

The majority of the Group's rental revenue is generated by foreign customers (55.2%), including Dutch (16.1%), German (13.9%) and Belgian (8.1%) customers, mainly due to the presence of Center Parcs Europe in the Netherlands (eight villages), Germany (five villages) and Belgium (six villages, including four Sunparks) but also the growing percentage of these customers in the Pierre & Vacances business segment in France. The growth in British customers and the drop in Russian customers should be noted.

Analysis of revenue by resort/country

Pierre & Vacances Tourisme Europe

Pierre & Vacances Tourisme Europe generated revenue of €594.5 million, including €401.6 of rental revenue, down 1.1% on the previous financial year (but up 3.4% when restated for offering effects).

This change, at constant scope, is due to:

- a drop in the number of nights sold (3.2%), in the context of an offer which fell by 5.0%.

  The occupancy rate was 70.3%, up by 1.7% compared with the previous financial year (69.1%), with a marked increase during the 4th quarter (81.7% compared with 80.6% in the same quarter of the 2013/2014 financial year);
- which partially offset the rise in the average net selling rate (2.2%), to €576 per week.

Online sales rose overall by 4%, accounting for 44% of the business segment's accommodation revenue, compared with 41% the previous financial year. Direct sales made on the Group's websites were up 4.5%, accounting for nearly 19% of sales (compared with 18% in 2013/2014).

Seaside resorts

Revenue from seaside resorts was down 0.8%. The number of nights sold was down 1.2% within the context of an offer which fell by 4.4%, mainly due to the Group's withdrawal from residences after the expiry of leases and the loss of leases up for renewal. Average net selling rates were up slightly (1.4%) and occupancy rates rose by 1.9%.

At constant scope, revenue from seaside resorts in mainland France increased by 5.4%.

Mountain resorts

Revenue from mountain resorts fell by 2.5%, reflecting the 8.4% drop in the number of nights sold (lease losses and withdrawals from loss-making residences). The rise in average net selling rates (6.5%) partially offset the reduction in the offering. Occupancy rates were also up 1.7%.

At constant scope, revenue from mountain resorts rose by 3.4%.

City residences

Revenue was almost unchanged (-0.3%), the rise in average net selling rates (3.0%) almost completely offsetting the drop in the number of nights sold (3.2%). The offering effect was negative (4.9%), with the opening of four new Adagio access residences and two Adagio aparthotels failing to offset the loss of inventory as a result of the withdrawal of a dozen or so Adagio access residences/residential parks. Occupancy rates were up 2.1%.

At constant scope, rental revenue was up by 1.9%.

French West Indies

Revenue from the French West Indies was down 2.9%, reflecting the 2.1% drop in the number of nights sold and the 0.8% reduction in average net selling rates. The fall in revenue mainly related to the winter season (impact of the chikungunya virus/local strikes).

Change

Number of apartments	2014/2015	2013/2014	Change
Seaside resorts	14,798	16,276	-1,478
Mountain resorts	6,051	6,684	-633
City residences	8,907	9,297	-390
French West Indies	851	851	0
TOTAL	**30,607**	**33,108**	**-2,501**

Rental revenue *(in € millions)*	2014/2015	2013/2014	Change	Change excluding offering effects
Seaside resorts	152.5	153.8	-0.8%	+5.4%
Mountain resorts	86.3	88.5	-2.5%	+3.4%
City residences	149.7	150.1	-0.3%	+1.9%
French West Indies	13.1	13.5	-2.9%	-2.9%
TOTAL	**401.6**	**405.9**	**-1.1%**	**+3.4%**

Average net selling price (for a week's rental) *(in € before VAT)*	2014/2015	2013/2014	Change
Seaside resorts	532	530	+0.4%
Mountain resorts	789	741	+6.5%
City residences	532	517	+3.0%
French West Indies	650	655	-0.8%
TOTAL	**576**	**563**	**+2.2%**

	Number of weeks sold			Occupancy rate		
	2014/2015	2013/2014	Change	2014/2015	2013/2014	Change
Seaside resorts	286,734	290,297	-1.2%	63.5%	62.3%	+1.9%
Mountain resorts	109,336	119,372	-8.4%	79.0%	77.7%	+1.7%
City residences	281,232	290,463	-3.2%	77.0%	75.5%	+2.1%
French West Indies	20,154	20,589	-2.1%	60.8%	62.0%	-1.9%
TOTAL	**697,456**	**720,721**	**-3.2%**	**70.3%**	**69.1%**	**+1.7%**

Center Parcs Europe

- **Center Parcs Europe** generated revenue of €586.2 million, including €378.3 in rental revenue, up 5.9% (up 3% excluding the Domaine du Bois aux Daims village).

This upturn in business was recorded across all countries:

- business generated by sites in the BNG area(13) was up 4.3%, including 6.6% in Belgium, 4.6% in Germany and 2.9% in the Netherlands;
- revenue from French sites was up 9.4% (and up slightly (+0.3%) excluding the Domaine du Bois aux Daims village).

The growth in rental revenue was due to:

- a 3.2% rise in the number of nights sold, in the context of an offer which rose by 2.0%.

  The occupancy rate was 73.1%, up by 1.2% compared with the previous financial year (72.2%), with a marked increase during the 4th quarter (83.3% compared with 82.5% in the same quarter of the previous financial year);
- a rise in average net selling rates of 2.6%, at €696 per week.

Online sales accounted for 80% of the business segment's rental revenue, up 6.7%, mainly due to direct sales (+8.8%).

The Netherlands

Rental revenue increased by 2.9%, to €124.3 million.

This growth was linked both to the 2.0% rise in the number of nights sold and the 0.9% rise in average net selling rates, to €626/week. The average occupancy rate rose by 1.0%, to 73.5%.

Growth was primarily driven by German and British customers.

The proportion of direct sales was 85% in 2014/2015. The proportion of internet sales is in line with the previous financial year, at 55%.

France

The sharp upturn in revenue of 9.4% to €125.7 million was mainly due to:

- the increased offering, as a result of the opening of the new Domaine du Bois aux Daims on 1 July 2015, accounting for a 6.1% rise in the number of nights sold;
- combined with a 3.1% rise in average net selling rates;

The occupancy rate was almost unchanged (-0.4%) despite the increased offering.

Direct sales make up the majority of the revenue, representing 93% of rental revenue, with 48% of online sales. The emergence of web-based tour operator sales (3% of rental revenue in 2014/2015) should be noted.

Belgium

Business in Belgian villages was up 6.6% at €65.4 million, driven by a 3.5% increase in average net selling rates and a 3.0% rise in the number of nights sold.

The average occupancy rate rose by 3.3% to 70.1% (77.4% for Center Parcs and 63.9% for Sunparks).

Direct sales accounted for 91% of sales, up on the previous year (90%).

Germany

Rental revenue was up 4.6% at €62.8 million, resulting from a 2.4% rise in average net selling rates and a 2.2% increase in the number of nights sold.

Direct sales accounted for 87% of the destination's rental revenue, comparable with the previous financial year, with growth in the percentage of online sales which now account for 57% of sales (compared with 54% in 2013/2014).

(13) Belgium, the Netherlands and Germany.

Change

Number of apartments	2014/2015	2013/2014	Change
The Netherlands	5,373	5,370	3
France	4,244	3,439	+805
Belgium	3,074	3,074	0
Germany	2,807	2,810	(3)
TOTAL	**15,498**	**14,693**	**+805**

Rental revenue *(in € millions)*	2014/2015	2013/2014	Change
The Netherlands	124.3	120.8	+2.9%
France	125.7	114.8	+9.4%
Belgium	65.4	61.4	+6.6%
Germany	62.8	60.1	+4.6%
TOTAL	**378.3**	**357.1**	**+5.9%**

Average net selling price (for a week's rental) *(in € before VAT)*	2014/2015	2013/2014	Change
The Netherlands	626	621	+0.9%
France	910	881	+3.1%
Belgium	635	612	+3.5%
Germany	608	594	+2.4%
TOTAL	**696**	**679**	**+2.6%**

	Number of weeks sold			Occupancy rate		
	2014/2015	2013/2014	Change	2014/2015	2013/2014	Change
The Netherlands	198,505	194,621	+2.0%	73.5%	72.8%	+1.0%
France	138,141	130,200	+6.1%	75.7%	76.0%	-0.4%
Belgium	103,130	100,116	+3.0%	70.1%	67.8%	+3.3%
Germany	103,371	101,155	+2.2%	72.2%	71.2%	+1.4%
TOTAL	**543,147**	**526,092**	**+3.2%**	**73.1%**	**72.2%**	**+1.2%**

Property development

Revenue stood at €255.6 million, compared with €274.4 million in 2013/2014, mainly as a result of the new Center Parcs in Vienne in France (€109.5 million) and Bostalsee in Germany (€14.2 million), the new Villages Nature programme (€24.1 million), the Pierre et Vacances premium programme in Flaine (€14.2 million) and the contribution from the Les Senioriales programmes (€54.0 million).

Breakdown of 2014/2015 property development revenue by programme type

(in € millions)	30/09/2015	30/09/2014
New programmes (excluding Les Senioriales)	**182.2**	**190.5**
Center Parcs Domaine du Bois aux Daims (Vienne)	109.5	100.9
Villages Nature	24.1	15.3
Center Parcs Bostalsee	14.2	20.4
Pierre & Vacances premium Flaine	14.2	13.9
Pierre & Vacances premium Colmar	6.0	5.8
Pierre & Vacances Avoriaz	5.1	1.0
Center Parcs Domaine des Trois Forêts – Extension	0.0	10.3
Adagio access Nancy	2.9	4.0
Pierre & Vacances premium Deauville	2.7	14.0
Pierre & Vacances Manilva (Spain)	1.9	3.5
Other	1.6	1.4
New Les Senioriales programmes	**54.0**	**60.2**
Renovation programmes	**2.4**	**3.0**
Other	**17.0**	**20.7**

Revenue from new programmes (including Les Senioriales) was €236.2 million compared with €250.7 million in 2013/2014. This result was due in particular to:

- the new fifth French Center Parcs in the north of the Vienne region where 980 units have been marketed and which opened to the public at the end of June 2015;
- completion of the marketing phase of the Center Parcs in Bostalsee located in the Saar region of Germany, with 500 cottages delivered in July 2013;
- the Villages Nature programme, delivery of which is scheduled for 2017;
- the Pierre & Vacances premium programme in Flaine, delivered in December 2014;
- the Pierre & Vacances premium programme in Deauville, delivery of which is scheduled for 2017;
- the Les Senioriales programmes with three programmes delivered over the financial year.

Revenue from renovation programmes was €2.4 million in 2014/2015. This business activity consists of purchasing residences in prime locations, mainly from institutional investors, and then reselling them to individual investors after renovation.

The main contribution to renovation revenue for the financial year was the Center Parcs at Hauts de Bruyères en Sologne.

"Other" revenue stood at €17.0 million over the financial year. It was primarily made up of non-Group marketing fees (mainly Villages Nature in 2014/2015) and the write-back of support funds from property programmes already delivered.

Deliveries in the 2014/2015 financial year

	New (N) Renovation (R)	No. of accommodation units 2014/2015	No. of accommodation units 2013/2014
Flaine	N	119	
TOTAL MOUNTAIN RESORTS		**119**	**0**
Moselle – Extension	N	0	59
Vienne – Cottages	N	980	
TOTAL CENTER PARCS FRANCE		**980**	**59**
Nancy	N	110	
TOTAL ADAGIO		**110**	**0**
Izon	N	79	
Cavillargues	N	47	
Le Boulou	N	53	
La Celle	N	0	47
Pringy	N	0	68
Marseille	N	0	89
Bracieux	N	0	48
Charleval	N	0	65
Mions	N	0	78
TOTAL LES SENIORIALES		**179**	**395**
GRAND TOTAL		**1,388**	**454**

Property reservations including VAT

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

Group and non-Group property development revenue (value of reservations including VAT signed over the financial year, net of cancellations during the same period) reached €327.3 million, corresponding to 1,584 reservations compared with €291.4 million in 2013/2014.

This revenue includes:

- €61.6 million in block sales of cottages (163 accommodation units) within the context of the extension of Moselle Center Parcs to a French institutional investor;
- €23.6 million in block sales of cottages (177 renovated accommodation units in Vielsalm);
- €24.2 million in block sales of Les Senioriales residences (Marseille and Saint-Etienne).

Excluding block sales, reservations were worth €217.9 million, corresponding to 1,109 units reserved, compared with €234.4 million (1,095 units) in 2013/2014.

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Property reservations including VAT	2014/2015	2013/2014	Change
New			
Reservations *(in € millions)*	215.0	177.3	21.3%
Number of apartments	887	689	28.7%
Average price *(in €)*	242,390	257,329	-5.8%
Re-sales[(1)]			
Reservations *(in € millions)*	40.3	40.6	-0.7%
Number of apartments	314	270	16.3%
Average price *(in €)*	128,344	150,370	-14.6%
Les Senioriales			
Reservations *(in € millions)*	72.0	73.5	-2.0%
Number of apartments	383	342	12.0%
Average price *(in €)*	187,990	214,912	-12.5%
TOTAL			
Reservations *(in € millions)*	**327.3**	**291.4**	**12.3%**
Number of apartments	**1,584**	**1,301**	**21.8%**
Average price *(in €)*	**206,629**	**223,982**	**-7.7%**

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

Principal stock of apartments marketed at 30 September 2015:

Programme by destination	New/Renovation	Delivery date	No. of units	% reserved
Channel				
Deauville Presqu'île de la Touques	N	December 2016	133	31%
Atlantic				
Biarritz	R	April 2013	93	100%
Seaside resorts			**226**	**59%**
Flaine Hélios	N	December 2014	119	100%
Mountain resorts			**119**	**100%**
CP Sologne 2B	R	June 2012	168	98%
CP Vienne	N	December 2014	980	97%
Center Parcs			**1,148**	**97%**
Villages Nature 1	N	2017	787	46%
Villages Nature			**787**	**46%**
Manilva	N	December 2008 and March 2009	328	48%
Port Zelande	R		554	11%
Vielsalm	R		350	81%
International			**1,232**	**41%**
TOTAL (EXCL. LES SENIORALES)			**3,512**	**64%**
Senioriales North – North West – North East			**631**	**69%**
Senioriales South West			**389**	**62%**
Senioriales South East			**731**	**77%**
TOTAL LES SENIORIALES			**1,751**	**71%**
TOTAL GROUP			**5,263**	**66%**

3.1.2.2 GROUP INCOME

Operating profit (loss) from ordinary activities

Profit from ordinary activities for the 2014/2015 financial year grew significantly by 74%, to €21.2 million, compared with €12.2 million in the previous financial year. EBITDA was €67.0 million, an increase of 18%.

(in € millions)	2014/2015	2013/2014
EBITDA[1]	67.0	56.9
Depreciation, amortisation and provisions net of write-backs	-45.8	-44.7
OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES	**+21.2**	**+12.2**
Operating margin	+1.5%	+0.9%

(1) EBITDA = earnings before interest, taxes, depreciation and amortisation.

Operating profit (loss) from Tourism

	Tourism business	
(in € millions)	2014/2015	2013/2014
Revenue	1,180.7	1,141.1
Operating profit (loss) from ordinary activities	**+6.1**	**-6.9**
Operating margin	+0.5%	-0.6%

Operating profit from tourism business stood at €6.1 million, returning to profitability in line with the target announced at the start of the financial year.

It benefited in particular from business growth (€11 million) as well as a reduction in rentals expense upon lease renewal (€12 million, in line with forecasts). These gains more than offset the impact of inflation on expenses (estimated at €10 million).

3

Operating profit (loss) from property development activities

	Property development	
(in € millions)	2014/2015	2013/2014
Revenue	255.6	274.4
Operating profit (loss) from ordinary activities	**15.1**	**19.1**
Operating margin	5.9%	6.9%

The operating profit from property development activities stood at €15.1. million.

It generated a margin of 6% on revenue.

Profit (loss) for the year

(in € millions)	2014/2015	2013/2014
Revenue	1,436.3	1,415.4
Operating profit (loss) from ordinary activities	**+21.2**	**+12.2**
Net financial income (expenses)	-18.3	-18.3
Profit (loss) from ordinary activities, before tax	**+2.9**	**-6.1**
Other operating income/expenses net of tax[1]	-3.8	-13.5
Share of net income (loss) of equity-accounted investments	0.3	-
Taxes	-12.1	-7.2
PROFIT (LOSS) FOR THE YEAR BEFORE CHANGE IN THE ORNANE FAIR VALUE	**-12.7**	**-26.9**
Change in the ORNANE fair value	+1.2	+3.6
Net profit (loss)	**-11.5**	**-23.3**
Attributable to owners of the Company	*-11.6*	*-23.4*
Non controlling interests	*+0.1*	*+0.1*

(1) Other operating income/expenses net of tax includes factors contributing to earnings which due to their non-recurring nature are not considered to be part of the profit (loss) from ordinary activities (non-recurring tax expenses or savings, update of Group's tax position, restructuring costs, etc.). In 2013/2014, this item included €4.2 million in costs as a result of the redemption, in February 2014, of 96.5% of the OCÉANE bonds initially issued in February 2011.

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

- €2.2 million of closure expenses from withdrawal of loss-making sites;
- €1.2 million in restructuring costs.

After taking into account the change in the fair value of the ORNANE share grant right (income of €1.2 million), the net loss was €11.5 million, a vast improvement compared with the previous financial year (€23.3 million loss).

3.1.2.3 RECONCILIATION TABLE – IFRS INCOME STATEMENTS

(in € millions)	FY 2014/2015 operating reporting	IFRS 11 adjustments	FY 2014/2015 IFRS
Turnover	1,436.3	-53.8	1,382.5
Current operating profit (loss)	**21.2**	**-5.1**	**16.1**
Financial income (expense)	-18.3	0.2	-18.1
Current net profit (loss)	**2.9**	**-4.9**	**-2.0**
Other income and expense net of tax	-3.8	0.0	-3.8
Net profit attributable to joint operations	0.3	2.8	3.1
Tax	-12.1	2.1	-10.0
NET PROFIT (LOSS)[(1)]	**-12.7**	**0.0**	**-12.7**

(1) Excluding change in fair value of ORNANE bond share allocation right.

(in € millions)	FY 2013/2014 operating reporting	IFRS 11 adjustments	FY 2013/2014 IFRS
Turnover	1,415.4	-36.9	1,378.5
Current operating profit (loss)	**12.2**	**-4.8**	**7.3**
Financial income (expense)	-18.3	0.4	-17.9
Current net profit (loss)	**-6.1**	**-4.4**	**-10.6**
Other income and expense net of tax	-13.5	0.0	-13.5
Net profit attributable to joint operations	0.0	3.1	3.1
Tax	-7.2	1.3	-5.9
NET PROFIT (LOSS)[(1)]	**-26.9**	**0.0**	**-26.9**

(1) Excluding change in fair value of ORNANE bond share allocation right.

3.1.3 INVESTMENTS AND FINANCIAL STRUCTURE

3.1.3.1 CHANGE IN THE STRUCTURE OF THE STATEMENT OF FINANCIAL POSITION

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

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

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

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

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

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

The new programmes have the following financial features:

- the capital required to fund each new residence is equivalent to around 10% of the cost price before VAT;
- bridging loans are set up for each transaction, and maximum use is made of these facilities before the notarised deeds of sale are signed;
- the relative size of working capital requirement items on the statement of financial position (accounts receivable, work in progress, deferred income and prepayments) is significant.

Sales signed with a notary and not yet recognised in earnings are booked to the statement of financial position as current liabilities. At the same time, expenses incurred on these same transactions are booked as work in progress. Revenue and margins on property development programmes are reported using the percentage of completion method. The percentage of completion is calculated by multiplying the percentage of construction progress by the percentage of revenue from property sales signed at a notary's office.

In contrast, stocks of completed properties and land are kept low by the Group's pre-selling strategy (properties sold off-plan for delivery on completion) as well as its policy of marketing properties before construction work is started and not acquiring land before final planning permission has been obtained.

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

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

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

The cash flows generated by the Group's business in 2014/2015 helped to further improve its financial position. At 30 September 2015, the net bank debt to equity ratio was 34%, compared with 46% the previous financial year.

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3.1.3.2 MAIN CASH FLOWS

Before cash flow from financing activities, the Group generated positive cash and cash equivalents of €49.0 million during the financial year, up sharply compared with cash and cash equivalents generated in 2013/2014 (€10.4 million).

This change was due to a significant improvement in operational tourism business performance and cash generated by property development business (particularly the Center Parcs Domaine du Bois aux Daims in Vienne).

Summary statement of cash flows

(in € millions)	2014/2015	2013/2014 restated[(1)]
Cash flows (after interest and tax)	+32.6	+20.5
Change in working capital requirements	+48.3	+24.8
Cash flow from operating activities	**+80.9**	**+45.3**
Net operational investment spending	-29.3	-23.9
Net financial investment	-2.6	-11.0
Cash flow from investment activities	**-31.9**	**-34.9**
Operational cash flows	**+49.0**	**+10.4**
Acquisitions and disposals of treasury shares	+0.1	-0.1
Dividends paid	-0.8	0
Change in loans and other borrowings	-8.8	-30.5
Cash flow from financing activities	**-9.5**	**-30.6**
Increase (decrease) in cash and cash equivalents	**+39.5**	**-20.2**

(1) Restated for the effect of the first-time adoption of IFRS 11 and IFRIC Interpretation 21.

The Group's Tourism and Property Development businesses generated a cash resource of €80.9 million during the 2014/2015 financial year, up €35.6 million compared with cash flows generated in 2013/2014.

This positive development is thanks to:

- **an increase in cash flows** (€32.6 million compared with €20.5 million in 2013/2014), mainly due to an improvement in operational performances;
- **the cash resource released by the change in working capital requirements** (€48.3 million, compared with €24.8 million over the previous financial year). This improvement was mainly due to property development business (delivery of Center Parcs du Bois aux Daims, Villages Nature financing etc.) and to the proceeds of tourism reservations for the new Center Parcs Domaine du Bois aux Daims.

Net cash flow from investing activities was -€31.9 million and mainly included:

- **net investments of €25.7 million in sites as part of tourism business** operations, including:
  - €20.2 million of net investment for the renovation and improvement of the product mix for all Center Parcs Europe villages, including €8.6 million investment in French villages, €5.7 million in Dutch villages, €3.7 million in Belgian villages and €2.2 million in German villages,
  - €5.5 million of net investment in residences and villages operated under the Pierre & Vacances Tourisme Europe brand, including €4.5 million in residences and villages in France, €0.7 million to renovate villages in Martinique and Guadeloupe, and €0.3 million in residences in Spain;
- **an investment of €6.0 million to continue rolling out new IT systems** (websites, booking system, CRM, Planet etc.), net of the €2.6 million in cash released from the sale of certain IT assets (booking software);
- **guarantees and deposits** amounting to a net investment of €2.6 million.

The €8.8 million drop in sundry loans and liabilities (excluding bank overdrafts) at 30 September 2015, compared with 30 September 2014, was mainly due to:

- amortisation of €9 million of the Corporate debt taken out by the Group in February 2014 (initial amount of €45 million subject to straight-line amortisation over 5 years);
- the annual amortisation of the financial liabilities on finance leases for €4.3 million;

  which partially offset:

  - the €2.2 million financial liability primarily corresponding to sale and lease-back contracts for heating systems for nine Center Parcs sites in Belgium and the Netherlands,
  - the €1.9 million net rise in property development bridging loans for Les Senioriales programmes.

3.1.3.3 SIMPLIFIED STATEMENT OF FINANCIAL POSITION

(in € millions)	30/09/2015	30/09/2014 restated(1)	Changes
Goodwill	153.1	153.1	-
Net fixed assets	446.6	457.4	-10.8
WCR and others	24.9	73.2	-48.3
TOTAL INVESTMENTS	**624.6**	**683.7**	**-59.1**
Equity	364.9	374.3	-9.4
Provisions for risks and charges	28.8	31.2	-2.4
Net financial debt	230.9	278.2	-47.3
including net bank debt	*125.2*	*170.5*	*-45.3*
including rental commitments – Ailette facilities	*105.7*	*107.7*	*-2.0*
TOTAL RESOURCES	**624.6**	**683.7**	**-59.1**

(1) Restated for the effect of the first-time adoption of IFRS 11 and IFRIC Interpretation 21.

The net carrying amount of goodwill totalled €153.1 million.

The main goodwill items were:

- Tourisme Europe: €132.4 million;
- Les Senioriales: €18.9 million.

The decrease in net fixed assets (-€10.8 million) mainly comes from:

- contributions to amortisations and provisions for the period (-€44.2 million).

Less the following:

- €29.1 million in net investments in the tourism business and the development of IT systems;
- €2.6 million increase in guarantee deposits paid to property owners and suppliers;
- €2.3 million revaluation of equity-accounted investments (primarily Villages Nature).

Net fixed assets at 30 September 2015 include:

- €119.8 million of intangible assets; this amount is mainly the €85.9 million net value of the Center Parcs brand;
- €285.2 million for property, plant and equipment; this includes for the most part assets used in the operation and marketing of villages under the Center Parcs and Sunparks brands for a net amount of €208.0 million and villages and residences from the Pierre & Vacances Tourisme Europe brands for a net amount of €75.0 million;
- €25.0 million in non-current financial assets;
- €15.0 million in equity-accounted investments (primarily comprising the Group's stake in the capital of the company which made the block purchase of cottages and apartments in the Villages Nature project and shares in the SDRT-Immo subsidiary in Morocco);
- €1.6 million in available-for-sale financial assets (non-controlling interests in three Center Parcs sites in the BNG area).

The amount of equity totalled €364.9 million at 30 September 2015, (compared with €374.3 million on 30 September 2014), after taking into account:

- the net loss for the period of €11.5 million (including the change in fair value of the ORNANE share grant right of +€1.2 million);
- a net increase in equity before earnings of €2.1 million due to IFRS accounting of actuarial differences on retirement benefit obligations, stock options, treasury shares and financial hedging instruments.

Provisions for risks and charges totalled €28.8 million at 30 September 2015, compared with €31.2 million at 30 September 2014.

At 30 September 2015, provisions for risks and charges broke down as follows:

- provisions for pensions: €17.7 million;
- provisions for renovations: €5.1 million;
- provisions for legal disputes, restructuring and miscellaneous risks: €6.0 million.

The €2.4 million reduction in provisions compared with the previous financial year was mainly due to a reduction in provisions for end of service awards. This was essentially the result of changes made, as of 1 January 2015, to the retirement plans of some Group employees in the Netherlands.

Net debt reported by the Group at 30 September 2015 broke down as follows:

(in € millions)	30/09/2014	30/09/2014 restated[1]	Changes
Gross debt	270.5	278.3	-7.8
Cash and cash equivalents (net of credit balances)	39.6[2]	-0.1	+39.5
Net debt	**230.9**	**278.2**	**-47.3**
including net bank debt	*125.2*	*170.5*	*-45.3*
including rental commitments – Ailette facilities	*105.7*	*107.7*	*-2.0*

(1) Restated for the effect of the first-time adoption of IFRS 11 and IFRIC Interpretation 21.
(2) Undrawn credit lines available: €161.5 million.

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

Net debt reported by the Group at 30 September 2015 (€230.9 million) corresponded mainly to:

- the ORNANE issue in February 2014 for a principal amount of €115 million; At 30 September 2015, the liability component of the ORNANE amounted to €108.7 million (including the valuation of the embedded derivative);
- the balance of the OCÉANE issue of February 2011, *i.e.* €3.9 million (redeemed on 1 October 2015);
- the principal amount outstanding (€31.5 million) on the Corporate loan initially contracted for €45 million on the renewal of the syndicated credit in February 2014 and subject to straight-line amortisation over 5 years.

  The refinancing of the Corporate loan also included a confirmed credit line for €128 million (undrawn at 30 September 2015).

One Adjusted Net Debt/EBITDAR ratio for the loan and the credit line is calculated contractually once a year at 30 September:

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

This ratio, which should be 3.50 or below at 30/09/2015, was adhered to:

- the amount of financial liabilities prompted by adjustments for sale and lease-back contracts for €109.7 million, including €105.7 million for the central facilities at Center Parcs Domaine du Lac de l'Ailette;
- bridging loans taken out by the Group to finance property development programmes to be sold for €13.8 million (mainly Les Senioriales programmes at 30 September 2015);
- less cash and cash equivalents, net of bank overdrafts, of €39.6 million.

3.1.4 EVENTS AFTER THE REPORTING PERIOD

Events after the reporting period are described in Part 4 of the Registration Document, Note 40 of the notes to the consolidated financial statements page 146.

3.1.5 OUTLOOK

3.1.5.1 TOURISM RESERVATIONS IN THE 1ST QUARTER OF 2015/2016

In light of the number of reservations to date[14], the Group is expecting tourism revenue in the 1st quarter of the 2015/2016 financial year to be higher than in the 1st quarter of the previous year:

- Pierre & Vacances Tourisme Europe business is likely to be up across all destinations;
- growth in Center Parcs Europe business is being driven by the BNG areas and by positive performances from the new Domaine du Bois aux Daims village.

(14) On 25 November 2015, date of the press release on 2014/2015 annual results.

3.1.5.2 STRATEGY

The Group strategic guidelines are described in Part 1.3 of the Registration Document, page 15.

3.1.6 MAIN RISKS AND UNCERTAINTIES

The main risks and uncertainties that the Company could face are identical to those presented in Part 2.3 of the Reference Document on page 35.

3.1.7 MAIN RELATED PARTY TRANSACTIONS

The main related party transactions are described in Part 4 of the Registration Document, Note 39 to the consolidated financial statements, page 145.

3.1.8 RESEARCH & DEVELOPMENT ACTIVITIES

None.

3.1.9 SOCIAL, SOCIETAL AND ENVIRONMENTAL RESPONSIBILITY

Social, societal and environmental information are detailed in Part 5 of the Registration Document, page 177.

3.2 COMMENTS ON THE PARENT COMPANY FINANCIAL STATEMENTS

PREAMBLE

Pierre et Vacances SA, the Group holding company, holds:

- interests in all the subholding companies;
- the lease and fittings at the administrative premises of the registered office situated in the 19th district of Paris (Espace Pont de Flandre).

At 30 September 2015, there were two types of agreements binding Pierre et Vacances SA and its subsidiaries:

- an agreement on the reinvoicing of head office expenses (rental expenses, depreciation of fittings and furniture);
- sub-leases within the framework of reinvoicing for rent.

3.2.1 SIGNIFICANT EVENTS

Main significant events of the year are described in Part 4 of the Registration Document, page 154.

3.2.2 CHANGES IN THE BUSINESS

Revenue in financial year 2014/2015 was €16.5 million. It mainly consisted of:

- €10.1 million for services rendered to subsidiaries for the development and financing of Center Parcs villages in the Netherlands and Germany;
- €6.4 million from reinvoicing subsidiary entities for their share of rent expenses for the occupation of premises at the Group's registered office in the 19th district of Paris.

The **operating loss** came to €5.0 million (compared with a loss of €49,000 in 2013/2014). This was the result of costs incurred by Pierre et Vacances SA to develop the Group's activities as holding company.

Net financial income amounted to €66.6 million compared with €25.6 million the previous year. It is mainly composed of the following items:

- dividend income of €37.0 million from subsidiaries, including:
  - €27.7 million from the company PV-CP Immobilier Holding SAS, a sub-holding company for the property development business,
  - €5.3 million from Pierre & Vacances Marques, a subsidiary owning the Group's brands (mainly Pierre et Vacances, Maeva and Multivacances), excluding the "Les Senioriales" brand and those operated by the Center Parcs sub-group,
  - €3.6 million from the company Entwicklungsgesellschaft Ferienhauspark Bostalsee GmbH;
- interest income of €4.8 million on current accounts, including €4.5 million on the current account held by Pierre et Vacances FI SNC, a subsidiary responsible for the Group's central cash management;
- reversals of impairment provisions for €39.4 million, including:
  - €37.7 million for shares in Pierre & Vacances Tourisme Europe, a sub-holding company for European tourism activities for the Pierre & Vacances and Center Parcs brands,
  - €1.4 million relating to the Pierre et Vacances FI SNC current account;
- financial expenses of €15.0 million, including, in particular:
  - interest expense on bank loans of €5.5 million, of which €4.0 million related to the convertible bond issue subscribed for in the previous financial year (ORNANES) and €1.3 million related to the syndicated loan,
  - interest expense and commissions on bank loans of €3.8 million,
  - an allocation to financial provisions for risks relating to the negative net worth of Pierre & Vacances Maroc for €1.9 million and Support Services BV for €0.7 million,
  - interest expense and commissions on short-term financing of €1.1 million,
  - interest expense of €0.8 million on other borrowings arranged with Pierre & Vacances FI SNC.

The **non-recurring loss** stands at €50,000, versus a non-recurring loss of €5.3 million for the 2013/2014 financial year, largely due to the cost of redeeming "OCEANE" convertible bonds.

In its capacity as parent company, Pierre et Vacances SA records any tax resulting from the tax consolidation of the Group in its financial statements. The amount of **income tax** recognised came to €11.5 million. This corresponds to income from the tax consolidation recognised by Pierre & Vacances as head of the tax group.

As a result, **the profit** for the year stood at €73.1 million compared with €30.3 million the previous year.

3.2.3 CHANGES IN FINANCIAL POSITION

Total assets amounted to €1,101 million at 30 September 2015 compared with €1,028 million at 30 September 2014, a rise of €73 million. This change is mainly due to the positive adjustment of the impairment provision for investments in associates and other long-term equity investments of the subsidiary Pierre & Vacances Tourisme Europe, for €37.7 million.

The net carrying amount of investments in associates and other long term equity investments at 30 September 2015 was €486 million and consisted of the following main investments (in € millions):

◆ Pierre & Vacances Tourisme Europe SA	356.4
◆ PV-CP Immobilier Holding SAS	64.9
◆ Pierre & Vacances Marques SAS	60.7
◆ Pierre & Vacances Maroc	2.3
◆ Les Villages Nature de Val d'Europe	1.2

In 2014/2015, Pierre et Vacances SA **equity** grew by €73.1 million to €677 million at 30 September 2015. This change corresponds to profit/(loss) for the period.

Share capital at 30 September 2015 was €88,215,510 and was divided into 8,821,551 fully paid-up ordinary shares with a par value of €10 each.

Provisions for risks and charges at 30 September 2015 amounted to €4.2 million (compared with €3.8 million at 30 September 2015). These reflect the negative net position of subsidiaries.

Concerning the **structure of its financial liabilities:**

- at 30 September 2015, the *outstanding bond issue* corresponds to:
  - the ORNANE-type bond issued on 4 February 2014 with a principal amount of €115.0 million and maturing on 1 October 2019. These bonds redeemable in cash and new or existing shares (ORNANE) are convertible at any time by delivery of a new or existing share. They also give the issuer the option to make a full or partial payment in cash when delivering the share,
  - the residual balance of the OCÉANE-type bond issued on 2 February 2011 with an original principal amount of €115.0 million, maturing on 1 October 2015 and convertible at any time by the exchange of one new or existing share for each OCÉANE bond. At 30 September 2015, the outstanding balance was €4.0 million. In February 2014, Pierre et Vacances SA redeemed 1,454,344 OCEANE bonds, or 96.5% of all OCEANE bonds outstanding at the time;
- *amounts due to credit institutions* at 30 September 2015 correspond to the principal amount outstanding (€31.5 million) on the Corporate loan following the renewal of the syndicated loan which expired in June 2015.

As part of the refinancing of the Corporate loan in February 2014, the loan maturity was extended by four years, with the final payment scheduled for 19 February 2019.

3.2.4 EVENTS AFTER THE REPORTING PERIOD

Events after the reporting period are described in Part 4 of the Registration Document, Note 23 of the notes to the statutory financial statements page 172.

3.2.5 OUTLOOK

In 2014/2015, Pierre et Vacances SA will continue to act as the Group holding company under conditions equivalent to those in the reporting year.

3.2.6 MAIN RISKS AND UNCERTAINTIES

The main risks and uncertainties that the Company could face are identical to those presented in Part 2.3 of the Reference Document on page 35.

3.2.7 SUBSIDIARIES, ASSOCIATES AND OTHER LONG-TERM EQUITY INVESTMENTS

The table of subsidiaries and equity investments is appended to the statement of financial position (Part 4 of the Registration Document, page 170-171).

The activities of the main subsidiaries in 2014/2015 are presented below:

- Pierre & Vacances Tourisme Europe SA

Pierre & Vacances Tourisme Europe SA continued to act as sub-holding company for the tourism business segment.

For the year to 30 September 2015, Pierre & Vacances Tourisme Europe recorded a profit of €15.4 million.

- Pierre & Vacances Marques SAS

The activity of this company consists of collecting royalties from the granting of rights to use its brands.

The Company's profit for this financial year amounted to €4.9 million.

- Pierre & Vacances FI SNC

In 2014/2015, Pierre & Vacances FI continued its responsibilities for central cash management for the various Pierre & Vacances-Center Parcs Group entities.

Over this reporting period, SNC Pierre & Vacances FI recorded profit of €2.5 million.

The following information is provided on these subsidiaries, associates and long-term equity investments:

Significant equity investments

During the year ended 30 September 2014, the Company made no equity investments.

Significant disposals

During the year, the Company disposed of the following investments:

Cobim SARL

On 26 May 2015, Pierre et Vacances SA – sole shareholder of Cobim SARL – decided to wind up the company without placing it in liquidation. This process was completed on 30 June 2015.

Pierre & Vacances Investissement XXXVIII (now S.I.T.I. Investissement SAS)

On 25 September 2015, Pierre et Vacances SA acquired from Société d'Investissement Touristique et Immobilier – S.I.T.I. 3,812 shares in Pierre & Vacances Investissement XXXVIII (or 100% of the share capital), for a total price of €29,860.

Significant investments and disposals since the year-end

PV-CP China Holding B.V.

On 1 October 2015, Pierre et Vacances SA subscribed for 18,000 shares in PV-CP China Holding B.V. (100% of the share capital) following that company's formation.

3.2.8 RESEARCH & DEVELOPMENT ACTIVITIES

During the past year and given its business sector and purpose, the Company did not undertake actions in terms of research and development.

3.2.9 SOCIAL, SOCIETAL AND ENVIRONMENTAL RESPONSIBILITY

Social, societal and environmental information are detailed in Part 5 of the Registration Document, page 177.

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CONSOLIDATED FINANCIAL STATEMENTS

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4.1 CONSOLIDATED FINANCIAL STATEMENTS

4.1.1 CONSOLIDATED INCOME STATEMENT

(in € thousands)	Notes	Financial year 2014/2015	2013/2014 restated(1)
Revenue	26	1,382,463	1,378,540
Purchases and external services	27	-983,489	-1,000,236
Employee expenses	28	-307,874	-304,544
Depreciation, amortisation and impairment	29	-62,842	-51,467
Other operating income	30	13,099	9,943
Other operating expenses on ordinary activities	30	-25,302	-24,915
OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES	**3**	**16,055**	**7,321**
Other operating income	3/31	3,922	5,626
Other operating expenses	3/31	-9,330	-15,166
OPERATING PROFIT (LOSS)	**3**	**10,647**	**-2,219**
Financial income	32	5,200	5,460
Financial expenses	32	-22,136	-24,019
NET FINANCIAL INCOME (EXPENSES)		**-16,936**	**-18,559**
Income tax	33	-8,363	-5,635
Share of net income (loss) of equity-accounted investments	8	3,150	3,119
PROFIT (LOSS) FOR THE YEAR		**-11,502**	**-23,294**
Of which:			
◆ *attributable to owners of the Company*		*-11,604*	*-23,389*
◆ *non controlling interests*		*102*	*95*
Basic earnings (loss) per share, attributable to owners of Company (in €)	34	-1.37	-2.77
Diluted earnings (loss) per share, attributable to owners of Company (in €)	34	-1.37	-2.77

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

4.1.2 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in € thousands)	Financial year 2014/2015	2013/2014 restated[1]
PROFIT (LOSS) FOR THE YEAR	**-11,502**	**-23,294**
Translation adjustments	125	111
Effective portion of gains and losses on hedging financial instruments	42	-12
Deferred tax	-14	4
Other comprehensive income (loss) that may be reclassified subsequently to profit or loss, net of tax	**153**	**103**
Actuarial gains and losses on retirement benefit obligations	1,464	1,858
Other comprehensive income (loss) that will not be reclassified subsequently to profit or loss, net of tax	**1,464**	**1,858**
Other comprehensive income (loss), net of tax	**1,617**	**1,961**
TOTAL COMPREHENSIVE INCOME (LOSS)	**-9,885**	**-21,333**
Of which:		
◆ *attributable to owners of the Company*	*-9,987*	*-21,428*
◆ *non controlling interests*	*102*	*95*

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

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4.1.3 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

(in € thousands)	Note	30/09/2015	30/09/2014 restated[1]
Goodwill	4	153,147	153,147
Intangible assets	5	119,807	122,727
Property, plant and equipment	7	285,158	297,963
Equity-accounted investments	8	15,014	12,692
Available-for-sale financial assets	9	1,631	1,639
Other non-current financial assets	10	25,014	22,419
Deferred tax assets	33	87,183	76,339
NON-CURRENT ASSETS	**3**	**686,954**	**686,926**
Inventories and work in progress	11/12/24	213,676	279,633
Trade receivables	13/24/25	209,534	325,008
Other current assets	14/24/25	227,717	223,880
Current financial assets	14/24/25	22,502	36,953
Cash and cash equivalents	15	40,801	36,897
CURRENT ASSETS	**3**	**714,230**	**902,371**
TOTAL ASSETS	**3**	**1,401,184**	**1,589,297**

Equity and liabilities

(in € thousands)	Note	30/09/2015	30/09/2014 restated[1]
Share capital		88,216	88,216
Share premium		8,637	8,637
Treasury shares		-11,554	-11,644
Other comprehensive income (loss)		-3,574	-5,191
Reserves		294,679	317,322
Consolidated profit (loss)		-11,604	-23,389
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	**16**	**364,800**	**373,951**
Non controlling interests		84	356
EQUITY		**364,884**	**374,307**
Long-term borrowings	18	247,728	257,032
Non-current provisions	17	21,544	25,184
Deferred tax liabilities	33	7,155	3,250
Other non-current liabilities	23/24/25	1,963	2,992
NON-CURRENT LIABILITIES	**3**	**278,390**	**288,458**
Short-term borrowings	18	23,678	57,716
Current provisions	17	7,259	5,999
Trade payables	22/24/25	331,973	372,008
Other financial liabilities	23/24/25	385,039	476,819
Current financial liabilities	23/24/25	9,961	13,990
CURRENT LIABILITIES	**3**	**757,910**	**926,532**
TOTAL EQUITY AND LIABILITIES	**3**	**1,401,184**	**1,589,297**

(1) The data have been restated for the first-time adoption of IFRS 11 and IFRIC Interpretation 21.

4.1.4 CONSOLIDATED STATEMENT OF CASH FLOWS

(in € thousands)	Notes	2014/2015	2013/2014 restated[(1)]
Operating activities			
Consolidated profit (loss)		**-11,502**	**-23,294**
Depreciation, amortisation and impairment of non-current assets		44,638	44,735
Expenses on grant of share options		752	1,345
Gains (losses) on disposal of assets		967	144
Share of profit (loss) of equity-accounted investments		-3,149	-3,120
Costs of net financial debt	32	19,575	21,878
Change in fair value of the ORNANE monetisation option		-1,150	-3,579
Tax expense (including deferred taxes)	33	8,363	5,635
Operating cash flows before change in working capital requirements		**58,494**	**43,744**
Net interest paid		-17,376	-18,326
Taxes paid		-8,498	-4,904
Cash flows after interest and tax		**32,620**	**20,514**
Change in working capital requirements (including in employee benefits liability)		48,256	24,802
Inventories and work in progress	11/24	66,165	-21,749
Other working capital items	11/24	-17,909	46,551
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES (I)		**80,876**	**45,316**
Investing activities			
Acquisitions of property, plant and equipment, and intangible assets	5/7	-32,280	-25,792
Purchases of financial assets		-3,507	-11,871
Subtotal of disbursements		**-35,787**	**-37,663**
Proceeds from disposals of property, plant and equipment, and intangible assets		2,996	1,888
Disposals of financial assets		914	906
Divestments of subsidiaries (net of cash paid)		40	0
Subtotal of receipts		**3,950**	**2,794**
NET CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES (II)		**-31,837**	**-34,869**
Financing activities			
Acquisitions and disposals of treasury shares	16	90	-135
Dividends paid to non-controlling interests		-835	0
Proceeds from new loans and other borrowings	18	11,081	160,541
Repayment of loans and other borrowings	18	-19,892	-190,973
Other cash flows from (used in) financing activities (including foreign exchange effect)		50	-59
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES (III)		**-9,506**	**-30,626**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (IV = I + II + III)		**39,533**	**-20,179**
Cash and cash equivalents at beginning of year (V)	15	81	20,260
Cash and cash equivalents at end of year (VI = IV + V)	15	39,614	81

(1) The data have been restated for the first-time adoption of IFRS 10, 11 and 12, as well as IFRIC Interpretation 21.

4.1.5 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in € thousands)	Number of shares	Share capital	Share premium	Treasury shares	Translation adjustments	Fair value reserves (mainly hedging financial instruments)	Reserves	Consolidated profit (loss)	Equity attributable to owners of the Company	Non controlling interests	Total shareholders' equity
RESTATED BALANCE AT 30 SEPTEMBER 2013(1)	**8,821,551**	**88,216**	**8,637**	**-11,509**	**50**	**-136**	**359,743**	**-47,608**	**397,393**	**261**	**397,654**
Other comprehensive income (loss)					111	-8			103		103
Actuarial gains and losses on retirement benefit obligations							1,858		1,858		1,858
Profit (loss) for the year								-23,389	-23,389	95	-23,294
Total comprehensive income (loss)		**0**	**0**	**0**	**111**	**-8**	**1,858**	**-23,389**	**-21,428**	**95**	**-21,333**
Change in treasury shares held				-135			-6		-141		-141
Early redemption of OCÉANE bonds							-3,218		-3,218		-3,218
Share-based payment expenses							1,345		1,345		1,345
Allocation of profit for the year							-47,608	47,608	0		0
RESTATED BALANCE AT 30 SEPTEMBER 2014(1)	**8,821,551**	**88,216**	**8,637**	**-11,644**	**161**	**-144**	**312,114**	**-23,389**	**373,951**	**356**	**374,307**
Other comprehensive income (loss)					125	28			153		153
Actuarial gains and losses on retirement benefit obligations							1,464		1,464		1,464
Profit (loss) for the year								-11,604	-11,604	102	-11,502
TOTAL COMPREHENSIVE INCOME (LOSS)		**0**	**0**	**0**	**125**	**28**	**1,464**	**-11,604**	**-9,987**	**102**	**-9,885**
Dividends paid									0	-400	-400
Change in treasury shares held				90			-6		84		84
Share-based payment expenses							752		752		752
Other movements									0	26	26
Allocation of profit for the year							-23,389	23,389	0		0
BALANCE AT 30 SEPTEMBER 2015	**8,821,551**	**88,216**	**8,637**	**-11,554**	**286**	**-116**	**290,935**	**-11,604**	**364,800**	**84**	**364,884**

(1) The data have been restated for the first-time adoption of IFRS 11 and IFRIC Interpretation 21.

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Preamble

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

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

The financial statements are presented in euros, rounded to the nearest thousand.

The Board of Directors approved the Group's consolidated financial statements for the year ended 30 September 2015 on 24 November 2015.

NOTE 1 Accounting principles

1.1 – General framework

Pursuant to European regulation EC 1606/2002 of 19 July 2002, the consolidated financial statements for the financial year ended 30 September 2015 have been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted by the European Union at 30 September 2015 (these standards are available at http://ec.europa.eu/finance/accounting/ias/index_en.htm).

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

These standards and interpretations are the same as those applied in the Group's financial statements for the financial year ended 30 September 2014, except for those adopted by the European Union which must be applied for the first time in the financial year beginning 1 October 2014 and for which the Group had not elected for early adoption (see section 1.2 – Changes in accounting standards).

1.2 – Changes in accounting standards

New standards and interpretations, which must be applied for the first time in the financial year beginning 1 October 2014, were used to prepare the financial statements for the financial year ended 30 September 2015.

The new standards, interpretations and amendments applied by the Group for the financial year ended 30 September 2015 and not applied early in the financial statements ended 30 September 2014 include the following:

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

The consolidation standards listed above (IFRS 10, IFRS 11, IFRS 12) were published in May 2011 and provide for retrospective application to financial years beginning on or after 1 January 2013. These standards were adopted by the European Union on 29 December 2012, and must be applied retrospectively to financial years beginning on or after 1 January 2014 at the latest.

Consequently, the Group applied these new standards from the financial year commencing on 1 October 2014.

First-time adoption of IFRS 10 "Consolidated Financial Statements"

IFRS 10 replaces the provisions on consolidated financial statements that appeared in IAS 27 "Consolidated and Separate Financial statements", as well as SIC Interpretation 12 "Consolidation – Special Purpose Entities".

IFRS 10 introduces a new single control model based on three criteria: "an investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee".

Previously, control was defined in IAS 27 as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

First-time adoption of this new standard had no impact on the group's consolidated financial statements.

First-time adoption of IFRS 11 "Joint Arrangements"

IFRS 11 replaces IAS 31 "Interests in Joint Ventures" and SIC Interpretation 13 "Jointly Controlled Entities – Non-Monetary Contributions by Venturers".

This new standard defines the way in which a joint arrangement of which two or more parties have joint control must be treated. In application of this standard, only two types of joint arrangements exist: joint ventures and joint operations, with classification of joint arrangements being dependent on the rights and obligations of the parties to the arrangement, considering the structure and legal form of the arrangement, the terms agreed by the parties in the contractual arrangement and, where appropriate, other facts and circumstances.

A joint venture is a joint arrangement whereby the parties ("Joint Venturers") that have joint control of the arrangement have rights to the net assets of the arrangement.

A joint operation is a joint arrangement whereby the parties ("joint operators") that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

IAS 31 defined three types of joint arrangements, primarily according to the legal form of the joint arrangement. Pursuant to IAS 31, the Group recognised its joint arrangements, which took the form of joint ventures, using the proportionate consolidation method.

Under IFRS 11, joint arrangements qualifying as joint ventures must be consolidated using the equity method (the proportionate consolidation method is no longer authorised). Each of the joint operators in a joint operation must recognise its assets and liabilities (and revenue and expenses) in relation to its interest in the joint operation.

Changes made to forms of joint arrangement and resultant consolidation methods led the Group to review its joint arrangements across all the periods presented.

All joint arrangements, under joint control, existing within the Group, are joint ventures within the meaning of IFRS 11 and so must be consolidated using the equity method pursuant to IFRS 11.

The impact of first-time adoption of IFRS 11 on joint arrangements is shown in Note 1.3.

First-time adoption of IFRS 12 "Disclosure of Interests in Other Entities"

IFRS 12 is a standard that specifies the disclosures to be made regarding interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. First-time adoption of this standard resulted in expansion of the notes presented in the annual financial report.

First-time adoption of revised IAS 28

The first-time adoption of this revised standard had no impact on the Group. The amendments made to this standard were mainly amendments arising from the new consolidation standards referred to above.

First-time adoption of IFRIC Interpretation 21

The new IFRIC Interpretation 21 relates to levies and requires that the liability to pay a levy must only be recognised when an obligating event has occurred. This interpretation mainly prevents the deferral of an annual tax generated by a one-time event. Thus, the impact of this new interpretation on the Group's financial statements was immaterial.

For the Pierre & Vacances-Center Parcs Groups, the main taxes involved are the property tax and corporate social solidarity contribution payable in France, as well as the "OZB" tax in the Netherlands which is the equivalent of the French property tax.

1.3 – The impact of first-time adoption of IFRS 11 and IFRIC 21 on the consolidated financial statements

The main entities affected by the adoption of IFRS 11 (disappearance of the proportionate consolidation method and the need to consolidate joint ventures under the equity method) are:

- entities comprising the Adagio sub-group, 50% owned by the Pierre & Vacances-Center Parcs Group and 50% owned by the Accor Group, now consolidated using the equity method;
- entities comprising the Villages Nature sub-group, 50% owned by the Pierre & Vacances-Center Parcs Group and 50% owned by the Euro Disney SCA Group, now consolidated using the equity method.

The new standards, applicable for the first time to financial years beginning on or after 1 October 2014 (IFRS 11 and IFRIC 21), are applied retrospectively. Their impact on the financial statements for the comparative period is presented in the tables below.

a. Impact on the consolidated income statement for the 2013/2014 financial year

(in € thousands)	2013/2014 published	First-time adoption of the standard IFRS 11	Financial year 2013/2014 restated
Revenue	1,415,435	-36,895	1,378,540
Purchases and external services	-1,020,179	19,943	-1,000,236
Employee expenses	-313,232	8,688	-304,544
Depreciation, amortisation and impairment	-51,948	481	-51,467
Other operating income	17,279	-7,336	9,943
Other operating expenses on ordinary activities	-35,196	10,281	-24,915
OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES	**12,159**	**-4,838**	**7,321**
Other operating income	5,629	-3	5,626
Other operating expenses	-15,184	18	-15,166
OPERATING PROFIT (LOSS)	**2,604**	**-4,823**	**-2,219**
Financial income	5,328	132	5,460
Financial expenses	-24,285	266	-24,019
NET FINANCIAL INCOME (EXPENSES)	**-18,957**	**398**	**-18,559**
Income tax	-6,927	1,292	-5,635
Share of net income (loss) of equity-accounted investments	-14	3,133	3,119
PROFIT (LOSS) FOR THE YEAR	**-23,294**	**0**	**-23,294**
Of which:			
◆ *attributable to owners of the Company*	*-23,389*	*0*	*-23,389*
◆ *non controlling interests*	*95*	*0*	*95*

b. Impact on the consolidated statement of financial position at 1 October 2014

Assets

(in € thousands)	1 October 2014 published	First-time adoption		1 October 2014 restated
		of the standard IFRS 11	of IFRIC 21	
Goodwill	156,369	-3,222		153,147
Intangible assets	123,513	-786		122,727
Property, plant and equipment	300,544	-2,581		297,963
Equity-accounted investments	10,156	2,536		12,692
Available-for-sale financial assets	1,640	-1		1,639
Other non-current financial assets	22,530	-111		22,419
Deferred tax assets	76,919	-233	-347	76,339
NON-CURRENT ASSETS	**691,671**	**-4,398**	**-347**	**686,926**
Inventories and work in progress	330,164	-50,531		279,633
Trade receivables	386,892	-61,884		325,008
Other current assets	239,538	-15,658		223,880
Current financial assets	23,278	13,675		36,953
Cash and cash equivalents	47,671	-10,774		36,897
CURRENT ASSETS	**1,027,543**	**-125,172**	**0**	**902,371**
TOTAL ASSETS	**1,719,214**	**-129,570**	**-347**	**1,589,297**

Equity and liabilities

(in € thousands)	1 October 2014 published	First-time adoption of the standard IFRS 11	First-time adoption of IFRIC 21	1 October 2014 restated
Share capital	88,216	0		88,216
Share premium	8,637	0		8,637
Treasury shares	-11,644	0		-11,644
Other comprehensive income (loss)	-5,191	0		-5,191
Reserves	316,603	0	719	317,322
Consolidated profit (loss)	-23,389	0		-23,389
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	**373,232**	**0**	**719**	**373,951**
Non controlling interests	356	0		356
EQUITY	**373,588**	**0**	**719**	**374,307**
Long-term borrowings	261,118	-4,086		257,032
Non-current provisions	23,980	1,204		25,184
Deferred tax liabilities	4,214	-964		3,250
Other non-current liabilities	2,992	0		2,992
NON-CURRENT LIABILITIES	**292,304**	**-3,846**		**288,458**
Short-term borrowings	59,936	-2,220		57,716
Current provisions	6,669	-670		5,999
Trade payables	384,060	-12,052		372,008
Other financial liabilities	572,959	-95,074	-1,066	476,819
Current financial liabilities	29,698	-15,708		13,990
CURRENT LIABILITIES	**1,053,322**	**-125,724**	**-1,066**	**926,532**
TOTAL EQUITY AND LIABILITIES	**1,719,214**	**-129,570**	**-347**	**1,589,297**

c. Impact on the consolidated statement of cash flow for the 2013/2014 financial year

(in € thousands)	2013/2014 published	First-time adoption of IFRS 11	2013/2014 restated
Operating activities			
Consolidated profit (loss)	**-23,294**	**0**	**-23,294**
Depreciation, amortisation and impairment of non-current assets	45,727	-992	44,735
Expenses on grant of share options	1,345	0	1,345
Gains (losses) on disposal of assets	159	-15	144
Share of profit (loss) of equity-accounted investments	14	-3,134	-3,120
Costs of net financial debt	22,081	-203	21,878
Change in fair value of the ORNANE monetisation option	-3,579	0	-3,579
Tax expense (including deferred taxes)	6,927	-1,292	5,635
Operating cash flows before change in working capital requirements	**49,380**	**-5,636**	**43,744**
Net interest paid	-18,529	203	-18,326
Taxes paid	-5,678	774	-4,904
Cash flows after interest and tax	**25,173**	**-4,660**	**20,514**
Change in working capital requirements (including in employee benefits liability)	23,978	824	24,802
Inventories and work in progress	-55,484	33,736	-21,749
Other working capital items	79,462	-32,912	46,551
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES (I)	**49,151**	**-3,835**	**45,316**
Investing activities			
Acquisitions of property, plant and equipment, and intangible assets	-26,421	629	-25,792
Purchases of financial assets	-11,882	11	-11,871
Subtotal of disbursements	**-38,303**	**640**	**-37,663**
Proceeds from disposals of property, plant and equipment, and intangible assets	1,890	-2	1,888
Disposals of financial assets	908	-2	906
Subtotal of receipts	**2,798**	**-4**	**2,794**
NET CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES (II)	**-35,505**	**636**	**-34,869**
Financing activities			
Acquisitions and disposals of treasury shares	-135	0	-135
Proceeds from new loans and other borrowings	164,626	-4,085	160,541
Repayment of loans and other borrowings	-190,973	0	-190,973
Other cash flows from (used in) financing activities (including foreign exchange effect)	-41	-18	-59
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES (III)	**-26,523**	**-4,103**	**-30,626**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (IV = I + II + III)	**-12,877**	**-7,302**	**-20,179**
Cash and cash equivalents at beginning of year (V)	21,512	-1,252	20,260
Cash and cash equivalents at end of year (VI = IV + V)	8,635	-8,554	81

1.4 - Basis of presentation

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

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

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

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

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

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

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

1.5 - Use of accounting estimates

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

1.6 - Basis of consolidation

The following consolidation methods have been used:

- full consolidation – all the companies over which the Group exercises exclusive control, directly or indirectly, in law or in fact;
- equity method – joint ventures (companies operated jointly within the context of joint control) as well as shares of companies over which the Group directly or indirectly exercises significant influence without, however, having control. Significant influence is presumed when the Group holds more than 20% of the voting rights.

Consolidation using the equity method requires an interest in an associate or joint venture to be recognised initially at the acquisition cost, then adjusted at a later date for the net income and other comprehensive income (loss) of the associate or joint venture attributable to the owners of the Company.

Share of net income (loss) of these entities is incorporated into the Group's consolidated profit (loss), on a specific line entitled "Share of net income (loss) of equity-accounted investments".

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

1.7 - Transactions between consolidated companies

Intra-group transactions and balances are eliminated both in the statement of financial position and the income statement.

In addition, when a Group entity conducts a transaction with a joint venture, the profits and losses resulting from this transaction are only recognised in the Group's consolidated financial statements according to the extent of the interest held by third parties in the joint venture in question.

1.8 - Foreign currency translation methods

Translation of transactions denominated in foreign currency

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

Translation of foreign currency financial statements

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

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

1.9 – Business combinations

Since 1 October 2009, business combinations have been recorded in accordance with revised IFRS 3 "Business combinations" and revised IAS 27 "Consolidated and separate financial statements".

Acquisition costs

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

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

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

Identifiable assets, identifiable liabilities and goodwill

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

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

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

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

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

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

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

Commitment to buy out non-controlling interests

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

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

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

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

1.11 – Goodwill impairment tests

Under IFRS, goodwill is not amortised but is subject to impairment testing whenever there is an indication that it may be impaired and at least once a year at the end of the financial year, namely at 30 September.

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

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

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

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

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

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

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

1.12 - Intangible assets

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

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

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

Intangible assets primarily consist of brand names.

They include:

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

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

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

1.13 - Investment subsidies

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

1.14 - Property, plant and equipment

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

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

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

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

Rent commitments, representing total future minimum payments over the remaining lease term, are indicated in Note 36 "Off-statement of financial position commitments".

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

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

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

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

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

1.15 – Non-current financial assets

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

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

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

1.16 – Inventories of finished goods and work in progress

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

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

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

1.17 – Trade receivables

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

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

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

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

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

1.18 – Cash and cash equivalents

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

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

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

1.19 – Pierre et Vacances treasury shares

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 equity. The result of any sale of treasury shares is recognised directly to consolidated reserves at their value net of tax and does not impact profit (loss) for the year.

1.20 – Share-based payment

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

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

1.21 – Provisions

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

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

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

1.22 – Provisions for retirement and other post-employment benefits

Post-employment benefits

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

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

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

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

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

Other long-term benefits

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

Past service cost

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

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

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

1.23 - Loans and other borrowings

Financial liabilities

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

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

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

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

Convertible OCÉANE-type bonds

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

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

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

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

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

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

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

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

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

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

As such, ORNANE is a bond comprising two components:

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

1.24 - Derivative financial instruments

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

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

Hedge accounting applies if:

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

Derivative financial instruments are reported in the statement of financial position at their fair value. The market value is established on the basis of market data and is confirmed by stock market prices provided by financial institutions.

The changes in the fair value of the instruments acquired to hedge certain liabilities are recognised directly in other comprehensive income (loss) for the effective portion of the hedge and, in the absence of a hedging relationship or for the ineffective portion of the hedge, the changes in the value of the derivative financial instruments are reported in net financial income (expenses).

1.25 – Deferred tax

All temporary differences existing at the reporting date between the carrying amounts of the asset and liability items and the amounts of those same items for tax purposes are recorded as deferred taxes and calculated using the liability method. Deferred taxes on temporary differences and losses carried forward are calculated at approved and quasi-adopted rates that will apply on the probable date of reversal of the differences concerned, if these are fixed, or, failing this, at tax rates approved at the reporting date. The effects of tax rate changes are recorded in profit (loss) for the year during which the rate change is made.

Deferred tax benefits arising from tax losses that can be carried forward are not reported as deferred tax assets unless there is a high likelihood that they will be used within a reasonable period of time.

The tax expense is recognised in profit (loss) except for tax relating to items recognised in other comprehensive income or loss that is recorded directly in other comprehensive income or loss.

Deferred tax assets and liabilities, irrespective of their due date, are not discounted and are off set when they relate to a single tax entity.

1.26 – Deferred income

Deferred income is income that is received or recorded before the underlying services have been performed or the underlying goods have been delivered.

This line item mainly includes:

- sales signed in the presence of a notary for property not yet delivered, for the proportion exceeding the revenue calculated by the percentage of completion method;
- "support funds". Specifically, the "Financial ownership" and "Ownership & Holidays" sales programmes involve the sale of property to owners, accompanied by the Group undertaking to pay an annual rent proportional to the sale price of the property. When the rent commitments are greater than market rates at the time of the sale, the excess rent, called "support funds" is recognised as a reduction in the selling price of the property. In this way, the excess portion of the property development margin is recorded in deferred income and, after the property is delivered, is recognised in profit or loss using a straight-line method over the lease term.

1.27 – Revenue

Consolidated revenue comprises:

- **tourism:** the pre-tax value of holidays and related income earned during the financial year and fees due as part of its marketing activity. For residences run under management agreements, only management fees invoiced to the customer are included in revenue. Revenue for the part of Center Parcs' catering and food trade business, which is outsourced, includes royalties from the service providers;
- **property development:**
  - property sales generated by the property development business and recognised according to the percentage of completion method (see Note 1.27 – Revenue recognition method – Property development) less, on the date the apartments are delivered, the "support funds" (see Note 1.25 – Deferred income). The amount is initially recorded in deferred income and then gradually recognised in revenue using the straight-line method over the term of the lease,
  - project management fees billed as the work progresses to property development programmes,
  - marketing fees.

All revenue is valued at the fair value of the consideration received or to be received, net of rebates, discounts and allowances, VAT and other taxes. Services are recognised when rendered.

1.28 – Revenue recognition method – Property development

Our property development business is mainly based on off-plan sales contracts (VEFA) through which the seller immediately transfers the land rights to the buyer, as well as ownership of the existing buildings. Future construction works become the property of the buyer as and when the work is completed. The costs incurred or future costs and the income from ordinary activities can be reliably measured.

In this case, the buyer has very limited influence over the design of the property.

Accordingly, the risks and advantages corresponding to the ownership of the work in progress are transferred as the work is completed; revenue and margins on property development programmes are reported using the percentage of completion method. In order to apply the percentage of completion method, the Group has defined the rate of completion by multiplying the percentage of construction progress, *i.e.* the cost of the work completed in relation to the cost of the work budgeted, by the percentage of revenue from property sales signed at a notary's office.

For ongoing programmes that are not yet delivered, when the situation on completion is a loss, a provision for losses on completion, taking account of the most likely assumptions, is immediately reported.

1.29 – Employee expenses

Employee expenses include all the payments and commitments made by the Group, including employee profit-sharing and the expenses associated with share-based payments.

They also include the Competitiveness and Jobs Tax Credit introduced by the 3rd amended finance act for 2012, effective from 1 January 2013. This measure introduces a 4% tax credit calculated per calendar year on remuneration below or equal to 2.5 times the minimum wage paid from 1 January 2013; this was increased to 6% from 1 January 2014. Accrued income is recognised for corresponding remuneration expenses commitment less employee expenses.

1.30 – Other operating income and expenses

Other operating income and expenses are reported in accordance with the AMF guidelines. They only include unusual, irregular and infrequent events. This includes gains and losses on disposals of non current assets, impairment losses of property, plant and equipment, and intangible assets, restructuring expenses and expenses related to legal proceedings, which are material to the Group and affect the comparability of the operating profit (loss) from ordinary activities from one reporting period to another.

1.31 – Income tax

Income tax expense or benefit includes both current tax, the corporate value-added tax (*cotisation sur la valeur ajoutée des entreprises* or CVAE) and deferred tax resulting from temporary differences and consolidation adjustments, where justified by the tax position of the Group's companies.

France's 2010 budget, approved in December 2009, introduced a regional economic tax (*contribution économique territoriale* or CET) to replace business tax (*taxe professionnelle* or TP). The CET has two components: the corporate real estate tax (*contribution foncière des entreprises* or CFE) and the corporate value-added tax (CVAE). The CFE, the extent of which depends on the rental value of property liable for real estate tax, is very similar to business tax and can hence be likened to an operating expense for accounting purposes. The CVAE is based on the added value shown in the parent company financial statements and has a number of characteristics similar to income tax with respect to IAS 12.

Following the advice of the French National Accounting Board *(Conseil National de la Comptabilité)* issued on 14 January 2010, the Group decided to treat the CVAE as an income tax expense.

1.32 – Earnings per share

Earnings per share are calculated by dividing profit (loss) attributable to the owners of the Company by the weighted average number of shares outstanding during the financial year, less the Pierre & Vacances treasury shares recorded as a reduction in equity. The average number of shares outstanding during the financial year is the number of ordinary shares outstanding at the beginning of the financial year, adjusted by the number of ordinary shares repurchased or issued during the year.

To calculate diluted earnings, profit (loss) for the year attributable to the owners of the Company and the weighted average number of shares are adjusted to take account of the maximum impact of the conversion of dilutive instruments into ordinary shares. The impact of any possible future share issue including those resulting from the conversion of instruments that give deferred access to the share capital of the parent company is therefore factored into the calculation of earnings per share.

The negative impact linked to the existence of instruments with an equity component is calculated by taking into account all dilutive instruments issued, whatever their maturity and regardless of the probability of conversion to ordinary shares, excluding instruments with a relutive effect.

For the years disclosed, the existing dilutive instruments include share options and bonus share grants. The accretive effects of share options are calculated according to the "share buyback" method by which the funds that will be collected when the option is exercised or the vested shares are purchased are considered to be assigned primarily to repurchasing Pierre & Vacances shares at the market price.

NOTE 2 Highlights for 2014/2015 and scope of consolidation

2.1 - Highlights for 2014/2015

Development of the tourism offering

Opening of Center Parcs at Domaine des Bois aux Daims (Vienne region)

On 29 June 2015, the Pierre & Vacances-Center Parcs Group opened its 5th Center Parcs in France in the Vienne region. The Domaine du Bois aux Daims, which covers 264 hectares with a "focus on wildlife", comprises 800 cottages, 80% of which were sold as a block to prestigious institutional investors. The occupancy rate has been close to 100% since opening.

Opening of new residences

The Group's tourism offering expanded in the 2014/2015 financial year, with the opening of:

- 4 new Adagio access residences (Massy, Dijon, Nancy and Munich in Germany);
- 2 new Adagio aparthotels in La Défense Puteaux and in Birmingham (UK);
- 1 new 5-star Pierre & Vacances premium residence in the Flaine ski resort.

Withdrawal of residences after expiry of leases

In the 2014/2015 financial year, the Group withdrew from a dozen or so loss-making Pierre & Vacances and Maeva residences (mainly in seaside resorts) after their leases had expired, and from a dozen or so Adagio access residences/residential parks.

Center Parcs development projects in France

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

Plans to set up a Center Parcs village in the commune of Roybon in Isère met with opposition from certain associations.

An appeal was launched in November 2014 against the prefectural orders issued in October 2014, authorising the project under the Water Act and the Protected Species Derogation. On 23 December 2014, the Administrative Court of Grenoble ruled on their emergency suspension proceedings: only the order related to the Water Act had been suspended which had led the Group to appeal to the French Council of State.

On 18 June 2015, the French Council of State overturned the emergency order issued by the Administrative Court of Grenoble of 23 December on the suspension of the works under the Water Act.

On 16 July 2015, the Administrative Court of Grenoble confirmed the legality of the "protected species act" derogation, which led opponents of the scheme to launch an appeal, and overturned the order relating to the Water Act solely on the ground of the location of compensatory measures.

The Group decided to appeal this decision, spurred on by the economic and environmental merits of the project and confident of the final judicial outcome in light of the French Council of State decision of 18 June 2015. At the same time as this appeal, the Group filed an application with the Administrative Court of Appeal of Lyon for a stay of judgement pending a final decision on the case.

It is expected that this administrative and legal matter shall be resolved before the end of 2016.

Development project for midsize Center Parcs

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

The first agreements have been entered into with the French local authorities and the first environmental and planning surveys begun. A public debate, an overview of which was presented on 3 November last, also took place between 20 April 2015 and 4 September 2015.

In addition, another project is being studied in Lot-et-Garonne. The Lot-et-Garonne Departmental Council and the Aquitaine Region approved this project by agreeing to establish a mixed-enterprise company to acquire the central facilities. The initial environmental feasibility studies were therefore able to begin.

These villages are scheduled to open from 2019 onwards.

2.2 - Main changes in the scope of consolidation

Main changes in the scope of consolidation for the 2014/2015 financial year

There was no significant change in the scope of consolidation in the 2014/2015 financial year.

Main changes in the scope of consolidation for the 2013/2014 financial year

Formation of the SNC Nature Hébergements 1

On 25 April 2014 a structure was created in order to acquire off-plan 783 Villages Nature programme lots. Since 23 May 2014, this entity, SNC Nature Hébergements 1, has been 50% owned by Eurosic SA, 37.5% owned by PVCP Immobilier Holding SAS, and 12.5% owned by Val d'Europe Promotion SAS, a subsidiary of the Euro Disney S.C.A. Group. The partners carried out several capital increases, bringing the equity value to €20 million at 30 September 2014. The Group investments for the 2013/2014 financial year totalled €7,500,000.

In the consolidated financial statements for the year ended 30 September 2014, the entity has been consolidated using the equity method as the Pierre & Vacances-Center Parcs Group exercises significant influence over it.

This entity markets all these lots to private investors through PVCI. At 30 September 2014, 121 lots were sold (deeds signed before a notary).

In addition, during the 2014/2015 financial year, the Group continued its policy of rationalising and simplifying operations and legal organisations by creating new companies or making internal changes of scope (mergers and liquidations of companies through the transfer of all assets and liabilities).

2.3 – Main consolidated entities

French companies

Legal form	Company	Consolidation method[1]	% interest at 30/09/2015	% interest at 30/09/2014
Holding companies				
SA	Pierre & Vacances	Parent company	100.00%	100.00%
SNC	Pierre & Vacances FI	Full	100.00%	100.00%
EIG	PV-CP Services	Full	100.00%	100.00%
Tourism France				
SA	Pierre & Vacances Tourisme Europe	Full	100.00%	100.00%
Center Parcs				
SAS	Center Parcs Holding Belgique	Full	100.00%	100.00%
PROPERTY DEVELOPMENT				
SAS	SA PIERRE & VACANCES HOLDING SAS	Full	100.00%	100.00%
SAS	Pierre & Vacances Senioriales Programme Immobilier	Full	100.00%	100.00%
SARL	Pierre & Vacances Transactions	Full	100.00%	100.00%
TOURISM BUSINESS				
Tourism France				
SARL	Clubhotel	Full	100.00%	100.00%
SA	Clubhotel Multivacances	Full	100.00%	100.00%
SARL	Club Univers de France	N/A	0.00%	99.00%
SNC	Commerce Patrimoine Cap Esterel	Full	100.00%	100.00%
SA	Compagnie Hôtelière Pierre & Vacances	Full	100.00%	100.00%
SAS	Holding Rénovation Tourisme	Full	100.00%	100.00%
SNC	NLD	Equity	50.00%	50.00%
SAS	Orion	Full	100.00%	100.00%
SAS	Pierre & Vacances Esterel Développement	Full	100.00%	100.00%
SA	PV-CP Distribution	Full	100.00%	100.00%
SAS	Pierre & Vacances Rénovation Tourisme	Full	100.00%	100.00%
SAS	PV-CP City	Full	100.00%	100.00%
SAS	PV-CP Holding Exploitation	Full	100.00%	100.00%
SAS	PV-CP Gestion Exploitation	Full	100.00%	100.00%
SAS	PV Résidences & Resorts France	Full	100.00%	100.00%
SAS	SET Pierre & Vacances Guadeloupe	Full	100.00%	100.00%
SAS	SET Pierre & Vacances Martinique	Full	100.00%	100.00%
SARL	SGRT	Full	100.00%	100.00%
SNC	SICE	Full	100.00%	100.00%
SARL	Société de Gestion des Mandats	Full	100.00%	100.00%

(1) Full: fully consolidated. Equity: equity-accounted. N/A: not applicable.

Legal form	Company	Consolidation method(1)	% interest at 30/09/2015	% interest at 30/09/2014
SNC	Société Hôtelière de l'Anse à la Barque	Full	100.00%	100.00%
SA	Sogire	Full	100.00%	100.00%
Adagio				
SAS	Adagio	Equity	50.00%	50.00%
SAS	Adagio Formations & Prestation de Services	Equity	50.00%	50.00%
Center Parcs				
SAS	Center Parcs Resorts France	Full	100.00%	100.00%
SNC	Domaine du Lac de l'Ailette village	Full	100.00%	100.00%
PROPERTY DEVELOPMENT				
Property development France				
SNC	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 Résidences MGM Loisirs	Full	100.00%	100.00%
SNC	Avoriaz Résidences MGM Loisirs II	Full	100.00%	100.00%
SNC	Biarritz Loisirs	Full	100.00%	100.00%
SNC	Belle Dune Village	Full	100.00%	100.00%
SNC	Bois de la Mothe Chandenier Cottages	Full	100.00%	100.00%
SNC	Bois de la Mothe Chandenier Équipements	Full	100.00%	100.00%
SNC	Bois de la Mothe Chandenier Foncière	Full	100.00%	100.00%
SNC	Caen Meslin Loisirs	Equity	40.00%	40.00%
SNC	Chamonix Loisirs	Full	100.00%	100.00%
SNC	Chaumont Cottages	Full	100.00%	100.00%
SNC	Colmar Loisirs	Full	100.00%	100.00%
SARL	Cobim	N/A	0.00%	100.00%
SNC	Dhuizon Loisirs	Full	100.00%	100.00%
SNC	Flaine Montsoleil Centre	Full	100.00%	100.00%
SNC	Flaine Montsoleil Extension	Full	100.00%	100.00%
SNC	Houlgate Loisirs	Full	100.00%	100.00%
SNC	Le Havre Loisirs	Full	100.00%	100.00%
SNC	Le Rouret Loisirs	Full	100.00%	100.00%
SCI	Les Senioriales Boulou	Full	100.00%	100.00%
SCI	Les Senioriales Charleval	Full	100.00%	100.00%
SCI	Les Senioriales de Bassan	Full	100.00%	100.00%
SCI	Les Senioriales de Bracieux	Full	100.00%	100.00%
SCI	Les Senioriales de Cavillargues	Full	100.00%	100.00%
SCI	Les Senioriales de Cevennes – St Privat des Vieux	Full	100.00%	100.00%
SCI	Les Senioriales de Gonfaron	Full	100.00%	100.00%
SCI	Les Senioriales d'Izon	Full	100.00%	100.00%
SCI	Les Senioriales de Jonquières	Full	100.00%	100.00%
SCI	Les Senioriales de Juvignac	Full	100.00%	100.00%

(1) Full: fully consolidated. Equity: equity-accounted. N/A: not applicable.

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Legal form	Company	Consolidation method[1]	% interest at 30/09/2015	% interest at 30/09/2014
SCI	Les Senioriales de la Celle	Full	100.00%	100.00%
SCI	Les Senioriales de la Côte d'Azur – Grasse	Full	100.00%	100.00%
SCI	Les Senioriales de Medis	Full	100.00%	100.00%
SCI	Les Senioriales de Montagnac	Full	100.00%	100.00%
SCI	Les Senioriales de Nandy	Full	100.00%	100.00%
SCI	Les Senioriales de Paradou	Full	100.00%	100.00%
SCI	Les Senioriales de Pont Aven	Full	100.00%	100.00%
SCI	Les Senioriales de Pringy	Full	100.00%	100.00%
SCI	Les Senioriales de Rambouillet	Full	100.00%	100.00%
SCI	Les Senioriales de Salles sur Mer	N/A	0.00%	100.00%
SCI	Les Senioriales de Soulac	Full	100.00%	100.00%
SCI	Les Senioriales de Vias	Full	100.00%	100.00%
SCI	Les Senioriales des Landes – Hinx	Full	100.00%	100.00%
SCI	Les Senioriales Rochefort du Gard	N/A	0.00%	100.00%
SCI	Les Senioriales St Julien des Landes	Full	100.00%	100.00%
SCI	Les Senioriales de St Laurent de la Prée	Full	100.00%	100.00%
SCI	Les Senioriales en Ville de Bruges	Full	100.00%	100.00%
SCI	Les Senioriales en Ville Cenon	Full	100.00%	100.00%
SCI	Les Senioriales en Ville de Luce	Full	100.00%	100.00%
SCI	Les Senioriales en Ville de Marseille – St Loup	Full	100.00%	100.00%
SCI	Les Senioriales en Ville de Perpignan	Full	100.00%	100.00%
SCI	Les Senioriales en Ville de Saint Avertin	Full	100.00%	100.00%
SCI	Les Senioriales en Ville d'Emerainville	Full	100.00%	100.00%
SCI	Les Senioriales en Ville Manosque	Full	100.00%	100.00%
SCI	Les Senioriales en Ville de Mions	Full	100.00%	100.00%
SCI	Les Senioriales de Pollestres	Full	100.00%	100.00%
SCI	Les Senioriales Ville de Nîmes	Full	100.00%	100.00%
SCI	Les Senioriales Teyran	Full	100.00%	100.00%
SCI	SCI Les Senioriales Ville de Castanet	Equity	50.00%	50.00%
SNC	Les Senioriales Ville de Dijon	Full	100.00%	0.00%
SNC	Les Senioriales Ville de Tourcoing	Equity	50.00%	0.00%
SCI	Les Senioriales du Pornic	Full	100.00%	0.00%
SCI	Les Senioriales Ville de St-Étienne	Full	100.00%	0.00%
SCI	Les Senioriales Ville de Soustons	Full	100.00%	0.00%
SCI	Les Senioriales Ville de Rillieux la Pape	Full	100.00%	0.00%
SCCV	SCCV Toulouse Ponts Jumeaux A1	Equity	50.00%	0.00%
SAS	Les Villages Nature de Val d'Europe	Equity	50.00%	50.00%
SCI	Montrouge Développement	Equity	50.00%	50.00%
SNC	Nancy Loisirs	Full	100.00%	100.00%
SCCV	Nantes Russeil	Equity	50.00%	50.00%
SARL	Peterhof II	Full	100.00%	100.00%

(1) Full: fully consolidated. Equity: equity-accounted. N/A: not applicable.

Legal form	Company	Consolidation method(1)	% interest at 30/09/2015	% interest at 30/09/2014
Sa	Pierre et Vacances SA PV-CP Conseil Immobilier	Full	100.00%	100.00%
SARL	Pierre & Vacances Courtage	Full	100.00%	100.00%
SA	Pierre & Vacances Développement	Full	100.00%	100.00%
SAS	Pierre & Vacances Senioriales Promotion et Commercialisation	Full	100.00%	100.00%
SAS	Pierre & Vacances Senioriales Exploitation	Full	100.00%	100.00%
SNC	Presqu'île de la Touques	Full	100.00%	100.00%
SAS	Foncière Presqu'île de La Touques	Equity	50.00%	50.00%
SNC	CP Centre Est	Full	100.00%	100.00%
SNC	St Cast Le Guildo Loisirs	Full	100.00%	100.00%
SAS	Tourisme et Rénovation	Full	100.00%	100.00%
SNC	Tréboul Tourisme Développement	N/A	0.00%	100.00%
SNC	Villages Nature Hébergements	Equity	50.00%	50.00%
SNC	SNC Villages Nature Hébergements II	Equity	50.00%	50.00%
SNC	SNC Villages Nature Équipements I	Equity	50.00%	50.00%
SNC	SNC Villages Nature Équipements II	Equity	50.00%	50.00%
SAS	Villages Nature Tourisme	Equity	50.00%	50.00%
SNC	Nature hébergement I	Equity	37.50%	37.50%
SARL	Villages Nature Management	Equity	50.00%	50.00%
Center Parcs				
SNC	Ailette 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 Cottages	N/A	0.00%	100.00%
SNC	Bois Francs Foncière	Full	100.00%	100.00%
SNC	Les Hauts de Bruyères Cottages	N/A	0.00%	100.00%
SNC	Roybon Cottages	Full	100.00%	100.00%
SNC	Roybon Equipements	Full	100.00%	100.00%
OTHER				
SAS	Pierre & Vacances Investissement 24	Full	100.00%	100.00%
SAS	SITI Investissement SAS	N/A	0.00%	100.00%
SAS	Pierre & Vacances Marques	Full	100.00%	100.00%

(1) Full: fully consolidated. Equity: equity-accounted. N/A: not applicable.

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Foreign companies

Legal form	Company	Country	Consolidation method(1)	% interest at 30/09/2015	% interest at 30/09/2014
HOLDING COMPANIES					
Center Parcs					
NV	Center Parcs Europe	The Netherlands	Full	100.00%	100.00%
GmbH	Center Parcs Deutschland Kunden-Center	Germany	Full	100.00%	100.00%
GmbH	Center Parcs Germany	Germany	Full	100.00%	100.00%
BV	Center Parcs Germany Holding	The Netherlands	Full	100.00%	100.00%
GmbH	Center Parcs Medebach Beteiligungs	Germany	Full	100.00%	100.00%
BV	Center Parcs NL Holding	The Netherlands	Full	100.00%	100.00%
BV	Center Parcs Participations	The Netherlands	Full	100.00%	100.00%
GmbH S Co.KG	Center Parcs Service	Germany	Full	100.00%	100.00%
BV	Center Parcs Sunparks	The Netherlands	Full	100.00%	100.00%
GmbH	Pierre & Vacances-Center Parcs Suisse	Switzerland	Full	100.00%	100.00%
BV	PVCP Support Services	The Netherlands	Full	100.00%	100.00%
TOURISM BUSINESS					
Center Parcs					
GmbH	Center Parcs Allgäu	Germany	Full	94.00%	94.00%
NV	Center Parcs Belgie	Belgium	Full	100.00%	100.00%
GmbH	Center Parcs Bungalowpark Bispingen	Germany	Full	100.00%	100.00%
GmbH	Center Parcs Bungalowpark Bostalsee	Germany	Full	100.00%	100.00%
GmbH	Center Parcs Entwickelungsgesellschaft	Germany	Full	100.00%	100.00%
GmbH	Center Parcs Bungalowpark Heilbachsee	Germany	Full	100.00%	100.00%
GmbH	Center Parcs Bungalowpark Hochsauerland	Germany	Full	100.00%	100.00%
GmbH	Center Parcs Leisure Deutschland	Germany	Full	100.00%	100.00%
NV	Center Parcs Netherlands	The Netherlands	Full	100.00%	100.00%
NV	CP SP België	Belgium	Full	100.00%	100.00%
GmbH	Sunparks Bungalowpark Nordseeküste	Germany	Full	100.00%	100.00%
NV	Sunparks Groep	Belgium	Full	100.00%	100.00%
NV	Sunparks Vielsalm	Belgium	Full	100.00%	100.00%
NV	Sunparks Leisure	Belgium	Full	100.00%	100.00%
Adagio					
GmbH	Adagio Deutschland	Germany	Equity	50.00%	50.00%
Ltd	Adagio Hotels UK	United Kingdom	Equity	50.00%	50.00%
GmbH	New City Aparthotels Betriebs	Austria	Equity	50.00%	50.00%
SARL	New City Suisse	Switzerland	Equity	50.00%	50.00%
Srl	Adagio Italia	Italy	Equity	50.00%	50.00%
SA	Pierre & Vacances Exploitation Belgique	Belgium	Full	100.00%	100.00%
Orion					
SA	Orion Exploitation Bruxelles Belliard	Belgium	Full	100.00%	100.00%
SL	SET Orion	Spain	Full	100.00%	100.00%

(1) Full: fully consolidated. Equity: equity-accounted. N/A: not applicable.

Legal form	Company	Country	Consolidation method(1)	% interest at 30/09/2015	% interest at 30/09/2014
Other tourism					
Srl	Part House	Italy	Equity	55.00%	55.00%
Srl	Pierre & Vacances Italia	Italy	Full	100.00%	100.00%
Ltd	Worldwide Invest Management	United Kingdom	Full	90.00%	100.00%
Ltd	P&V Sales & Marketing UK	United Kingdom	Full	100.00%	0.00%
SL	Pierre & Vacances Maeva Distribution España	Spain	Full	100.00%	100.00%
SL	SET Pierre & Vacances España	Spain	Full	100.00%	100.00%
PROPERTY DEVELOPMENT					
SL	Bonavista de Bonmont	Spain	Full	100.00%	100.00%
SL	Nuit & Jour Projections	Spain	N/A	0.00%	50.00%
SL	Pierre & Vacances Développement España	Spain	Full	100.00%	100.00%
SL	Pierre & Vacances Inversion Inmobiliaria	Spain	Full	100.00%	100.00%
Srl	Résidence City	Italy	Full	100.00%	100.00%
SA	SDRT Immo	Morocco	Equity	25.00%	25.00%
OTHER					
GmbH	Center Parcs Entwicklungsgesellschaft Ferienhauspark Bostalsee	Germany	Full	90.00%	90.00%
GmbH	Pierre & Vacances-Center Parcs Immobilien	Germany	Full	100.00%	0.00%
BV	Center Parcs Netherlands 2	The Netherlands	Full	100.00%	100.00%
BV	Multi Resorts Holding	The Netherlands	Full	100.00%	100.00%
BV	Center Parcs Development	The Netherlands	Full	100.00%	100.00%
BV	Pierre & Vacances-Center Parcs Vastgoed	The Netherlands	Full	100.00%	100.00%
SAS	Pierre & Vacances Maroc	Morocco	Full	100.00%	100.00%

(1) Full: fully consolidated. Equity: equity-accounted. N/A: not applicable.

Segment information

Based on the internal organisation of the Group, the segment information shows the tourism business and the property development business. This breakdown reflects the operational organisation of the Group in terms of management and control of operations.

The Group develops its activities through two complementary business lines:

- the property development segment, which aims to increase the holiday destinations available and adapt the existing residences and villages to suit changes in customer requirements. This segment includes the construction activities and the marketing to individual investors of hotel rooms, apartments and new or renovated houses. The property development programmes currently available are mainly located in France and Germany. Programmes relating to the renovation of tourism assets operated under the Center Parcs and Sunparks brands are also in the process of being developed in the Netherlands, Germany and Belgium. This segment also includes the development of the Les Senioriales, specialising in building and marketing residences in France and aimed at a customer base of active seniors. The full ownership of the houses is sold without any operating commitment on the part of the Group;
- the tourism segment called "Tourisme Europe", which includes the operation of residences and villages marketed under the Pierre & Vacances, Adagio, Center Parcs and Sunparks brands, located in Europe, mainly France, the Netherlands, Germany, Belgium and Spain.

Within each business segment, there is a country-based organisation that runs the activities from day-to-day. Revenue and total non-current assets in France, where the registered office of the parent company is located, amounted to €941,619,000 and €838,486,000, respectively.

Inter-segment revenue is generated under normal market conditions. No single customer represents a significant share of the revenue of the Pierre & Vacances-Center Parcs Group.

The unassigned assets include long-term investments, other assets of a financial nature, current and deferred tax receivables and non-current assets.

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

NOTE 3 Operating segment information

Since 1 October 2014, in application of IFRS 11, the Pierre & Vacances-Center Parcs Group has consolidated all companies in which it exercises joint control with partners using the equity method. These entities were previously consolidated using the proportionate consolidation method.

This change affects all financial statement items but has no impact on the profit (loss) for the period.

In addition, the Pierre & Vacances-Center Parcs Group continues to apply the proportionate consolidation method in its internal operational reporting, since this allows for better assessment of the Group's economic performance and key indicators.

This is why the Group continues to use the proportionate consolidation method when publishing the segment information contained in the notes to the annual financial statements.

The impact of the application of IFRS 11 is also shown on the right hand side of the table, enabling it to be linked with the data published in the consolidated financial statements.

	2014/2015					
(in € thousands)	Tourism business	Property development	Unassigned	Total	Impact of IFRS 11	Total restated[1]
Revenue	1,212,765	266,921	-	1,479,686	-54,252	1,425,434
Intra-business group revenue	-32,034	-11,324	-	-43,358	387	-42,972
External revenue	**1,180,731**	**255,597**	**0**	**1,436,328**	**-53,865**	**1,382,463**
Operating profit (loss) from ordinary activities	**6,149**	**15,053**	**0**	**21,202**	**-5,147**	**16,055**
Other operating income and expenses	-4,392	-644	-375	-5,411	3	-5,408
Operating profit (loss)	**1,757**	**14,409**	**-375**	**15,791**	**-5,144**	**10,647**
Depreciation and amortisation	**-44,265**	**-255**	**0**	**-44,520**	**744**	**-43,776**
Asset impairment losses net of write-backs	-419	0	307	-112	0	-112
Property, plant and equipment, and intangible assets	**28,718**	**6,369**	**4,142**	**39,229**	**-6,949**	**32,280**
Non-current assets	528,861	41,682	126,169	696,712	-9,758	686,954
Current assets	292,443	478,252	73,651	844,346	-130,116	714,230
Total assets	**821,304**	**519,934**	**199,821**	**1,541,059**	**-139,875**	**1,401,184**
Non-current liabilities	18,337	899	267,350	286,586	-8,196	278,390
Current liabilities	494,657	322,295	73,355	890,307	-132,397	757,910
Total liabilities excluding equity	**512,994**	**323,194**	**340,705**	**1,176,893**	**-140,593**	**1,036,300**

(1) The data have been restated for the first-time adoption of IFRS 11 and IFRIC Interpretation 21.

(in € thousands)	2013/2014 Tourism business	Property development	Unassigned	Total restated[2]	Impact of IFRS 11	Total restated[1]
Revenue	1,155,727	278,323	-	1,434,050	-37,442	1,396,608
Intra-business group revenue	-14,645	-3,971	-	-18,616	547	-18,068
External revenue	**1,141,082**	**274,352**	**0**	**1,415,434**	**-36,895**	**1,378,540**
Operating profit (loss) from ordinary activities	**-6,898**	**19,057**	**0**	**12,159**	**-4,838**	**7,321**
Other operating income and expenses	-7,417	-1,391	-747	-9,555	15	-9,540
Operating profit (loss)	**-14,315**	**17,666**	**-747**	**2,604**	**-4,823**	**-2,219**
Depreciation and amortisation	**-46,616**	**-311**	**-**	**-46,927**	**680**	**-46,247**
Impairment losses net of write-backs	25	-	-307	-282	0	-282
Property, plant and equipment, and intangible assets	**21,334**	**1,175**	**3,912**	**26,421**	**-629**	**25,792**
Non-current assets	543,850	34,958	112,516	691,324	-4,398	686,926
Current assets	302,504	636,700	88,339	1,027,543	-125,172	902,371
Total assets	**846,354**	**671,658**	**200,855**	**1,718,867**	**-129,570**	**1,589,297**
Non-current liabilities	23,797	1,068	267,439	292,304	-3,846	288,458
Current liabilities	496,130	449,486	106,640	1,052,256	-125,724	926,532
Total liabilities excluding equity	**519,927**	**450,554**	**374,079**	**1,344,560**	**-129,570**	**1,214,990**

(1) The data have been restated for the first-time adoption of IFRS 11 and IFRIC Interpretation 21.
(2) Data restated for the impact of the first-time adoption of IFRIC 21.

Analysis of main statement of financial position items

NOTE 4 Goodwill

(in € thousands)	30/09/2015	30/09/2014 restated[1]
Tourisme Europe	132,422	132,422
Les Senioriales	18,926	18,926
Pierre & Vacances Développement	1,463	1,463
Pierre & Vacances Développement España	336	336
TOTAL NET AMOUNT	**153,147**	**153,147**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

Goodwill was automatically tested for impairment loss at 30 September 2015, according to the procedures described in Notes 1.10 and 6. The tests carried out did not reveal the need to recognise any impairment losses for financial year 2014/2015. The same was true at 30 September 2014.

Net amount at reporting date

(in € thousands)	30/09/2015	30/09/2014 restated[1]
Gross amount	175,836	175,836
Accumulated impairment loss	-22,689	-22,689
NET AMOUNT	**153,147**	**153,147**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

NOTE 5 Intangible assets

(in € thousands)	Brand names	Other tangible and intangible assets	Total tangible and intangible assets
At 30 September 2013, restated[1]			
Gross amount	105,777	46,922	152,699
Accumulated depreciation, amortisation and impairment losses	-3,734	-26,953	-30,687
NET AMOUNT	**102,043**	**19,969**	**122,012**
Changes			
Acquisitions	-	7,815	7,815
Net disposals and retirements	-	-1,060	-1,060
Depreciation	-	-5,899	-5,899
Reclassifications	-	-141	-141
TOTAL CHANGES FOR THE YEAR	**-**	**715**	**715**
At 30 September 2014, restated[1]			
Gross amount	105,777	49,177	154,954
Accumulated depreciation, amortisation and impairment losses	-3,734	-28,493	-32,227
NET AMOUNT	**102,043**	**20,684**	**122,727**
Changes			
Acquisitions	-	5,959	5,959
Net disposals and retirements	-	-2,547	-2,547
Depreciation	-	-6,068	-6,068
Reclassifications	-	-264	-264
TOTAL CHANGES FOR THE YEAR	**-**	**-2,920**	**-2,920**
At 30 September 2015			
Gross amount	105,777	51,907	157,684
Accumulated depreciation, amortisation and impairment losses	-3,734	-34,143	-37,877
NET AMOUNT	**102,043**	**17,764**	**119,807**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

Intangible assets at 30 September 2015 consisted of:

- "**Brand names**" including:
  - €85,870,000 for the Center Parcs brand,
  - €7,472,000 for the Pierre et Vacances brand,
  - €3,279,000 for the Sunparks brand,
  - €3,236,000 for the Maeva brand,
  - €2,040,000 for the Les Senioriales brand,
  - €114,000 for the Multivacances brand,
  - €32,000 for the Ecolidays brand.

  According to the method described in the accounting policies for intangible assets (Note 1.11 – Intangible assets), an impairment test was carried out at 30 September 2015 for each of the brand names on the statement of financial position. These tests did not lead the Group to recognise impairment losses on brand names for financial year 2014/2015;
- "**Other intangible assets**" for €17,764,000. The change is essentially due to:
  - €5,959,000 in capital investment, including technical and functional enhancements to:
    - Group websites (€1,847,000),
    - the customer database (€1,772,000),
    - the Group's booking system (€1,128,000),
    - the development of new tools relating to business conducted under management agreements with individual investors under the Maeva.com brand (€537,000),
    - various IT projects worth €670,000, including €209,000 in relation to Business Intelligence projects,
  - €2,547,000 in sales of software applications relating to the group booking system.

Finance leases

At 30 September 2015, the net amount of "Intangible assets" included €1,639,000 representing the restatement of such assets under finance leases, compared with €2,905,000 at 30 September 2014.

The corresponding residual financial liability stood at €1,714,000 at 30 September 2015, compared with €2,985,000 at 30 September 2014 (see Note 18 – Financial "liabilities").

At 30 September 2015, the line item "Finance leases" primarily includes IT solutions.

NOTE 6 Impairment testing of goodwill and intangible assets with indefinite useful lives

Brand names and goodwill are not amortised. They are subject to impairment testing whenever there is an indication that they may be impaired and at least once a year at the reporting date, namely at 30 September of each year.

As indicated in Note 1.10 – Goodwill impairment tests and Note 1.11 – Intangible assets, and in the absence of a fair value less selling costs available at the reporting date, the recoverable value of the cash generating units (CGUs) is determined on the basis of their value in use.

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

Cash flows were based on five-year business plans prepared by the operating and finance managers of a CGU or CGU group whose main assumptions (average net selling prices, occupancy rates, inflation, etc.) were reviewed by the Group's Finance Department, according to the division's past performance and external macro-economic information in Europe. The assumptions used to estimate the value in use are based on forecast cash flows from operating activities, which are driven mainly by:

- change in revenue, which varies according to the offering, occupancy rates, average sales prices and the distribution strategy;
- the implementation of plans to optimise operating costs and support functions;
- and finally, the selective lease renewal policy enabling, in particular, the lowering of the rent expense.

With respect to property development activities, and most particularly the Les Senioriales business, the assumptions used take into account projects already identified and data related to future projects. They relate to projects for which land has been identified and for which feasibility studies have already begun. Historically, these projects correspond to approximately ten developments per year, the average number of projects that this entity is capable of implementing in its current form.

Beyond this explicit projection period, cash flows are extrapolated by applying a perpetual growth rate which, using a conservative approach, was assumed to be slightly lower than the long-term growth rate of the countries in which the businesses operate. The main assumptions used to determine the terminal value are based on historical and prospective data. The latter are prepared by the operational departments concerned, namely the Sales Department, in relation to occupancy rate and marketing, Pricing and Revenue Management for average sales prices, and Business Line for operating margins.

Lastly, the discount rate used in determining values in use justifying the carrying amount of the assets is based on the weighted average cost of the Group's capital. The latter is calculated from the rate of return on 10-year French government bonds and sectoral characteristics, primarily to assess the risk premium and the marginal borrowing cost.

Within each business segment, the CGU group used to assess the recoverable amount of the assets reflects the Group's activities in terms of financial reporting. Hence, the main CGUs of the Pierre & Vacances-Center Parcs Group, to which virtually all the goodwill and brand names on the statement of financial position relate, are:

- tourism: the Tourisme Europe CGU which includes the operation of residences and villages in Europe and mainly in France, the Netherlands, Germany, Belgium and Spain;
- property development: primarily Les Senioriales CGU which relates to the property development and marketing in France of residences targeting active seniors.

Analysis of the allocation of goodwill and brand names to the various CGUs thus identified at 30 September 2015 and 30 September 2014.

	30/09/2015			30/09/2014 restated(1)		
(in € thousands)	Goodwill	Brand name	Total	Goodwill	Brand name	Total
Tourisme Europe	132,422	100,003	232,425	132,422	100,003	232,425
Les Senioriales	18,926	2,040	20,966	18,926	2,040	20,966
Other CGU groups	1,799	-	1,799	1,799	-	1,799
TOTAL NET AMOUNT	**153,147**	**102,043**	**255,190**	**153,147**	**102,043**	**255,190**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

The table below summarises the main assumptions used to estimate the value in use and the sensitivity of that recoverable value to changes in perpetual growth rate, discount rate and revenue indicators (such as occupancy rate and average selling rates) of the main CGUs and CGU groups that represent the majority of the goodwill and intangible assets with indefinite useful lives:

	"Tourisme Europe" CGU
Perpetual growth rate	**1.5%** (the same as at 30 September 2014)
Discount rate used	**9.0%** (compared with 9.5% at 30 September 2014)
Sensitivity of the recoverable amount to the perpetual growth rate	A half-point increase and decrease in the perpetual growth rate has an impact of 6% and -5%, respectively, on the recoverable amount. This variation does not lead to the recognition of impairment losses.
Sensitivity of the recoverable amount to the discount rate	A one-point increase and decrease in the discount rate has an impact of -13% and 17%, respectively, on the recoverable amount. This variation does not lead to the recognition of impairment losses.
Sensitivity of the recoverable amount to the occupancy rate	A one-point increase and decrease in the occupancy rate has an impact of +11% and -11% respectively, on the recoverable amount. This variation does not lead to the recognition of impairment losses.
Sensitivity of the recoverable amount to the average selling rate	A one-point increase and decrease in the average selling rate has an impact of +9% and -9%, respectively, on the recoverable amount. This variation does not lead to the recognition of impairment losses.
Sensitivity of the recoverable amount to the margin rate	A one-point increase and decrease in the margin rate has an impact of +12% and -12%, respectively, on the recoverable amount. This variation does not lead to the recognition of impairment losses.

At 30 September 2015, sensitivity testing on the key assumptions detailed above did not lead to the recognition of impairment losses, since the useful value of the CGUs remains higher than their carrying amount.

The amount of goodwill and tangible and intangible assets allocated to the Tourisme Europe business does not have to be impaired as long as the occupancy rate does not drop more than 3.5%, the average selling rate more than 4.3% or the operating margin rate more than 3.3%.

For Les Senioriales, a 10.5% discount rate was used. The sensitivity tests on the assumptions of perpetual growth rate and discount rate yielded results which were very close to those obtained for the Tourisme Europe business.

NOTE 7 Property, plant and equipment

(in € thousands)	Land	Buildings	Fixtures and fittings	Other property, plant and equipment, and assets in progress	Total property, plant and equipment
At 30 September 2013, restated(1)					
Gross amount	18,640	233,129	296,563	151,971	700,303
Accumulated depreciation, amortisation and impairment losses	-932	-81,765	-185,033	-110,479	-378,209
NET AMOUNT	**17,708**	**151,364**	**111,530**	**41,492**	**322,094**
Changes					
Acquisitions	52	1,469	2,464	13,992	17,977
Net disposals and retirements	0		-20	-128	-148
Depreciation	-594	-8,294	-23,235	-8,478	-40,601
Reclassifications	-157	-1,135	7,056	-7,123	-1,360
TOTAL CHANGES FOR THE YEAR	**-699**	**-7,960**	**-13,735**	**-1,737**	**-24,131**
At 30 September 2014, restated(1)					
Gross amount	18,535	232,706	282,619	148,269	682,129
Accumulated depreciation, amortisation and impairment losses	-1,526	-89,302	-184,824	-108,514	-384,166
NET AMOUNT	**17,009**	**143,404**	**97,795**	**39,755**	**297,963**
Changes					
Acquisitions	1,953	3,360	13,853	7,155	26,321
Net disposals and retirements	-75	-125	-637	-198	-1,035
Depreciation	-636	-8,421	-21,506	-7,536	-38,099
Reclassifications	4	0	455	-451	8
TOTAL CHANGES FOR THE YEAR	**1,246**	**-5,186**	**-7,835**	**-1,030**	**-12,805**
At 30 September 2015					
Gross amount	20,416	235,053	281,783	147,262	684,514
Accumulated depreciation, amortisation and impairment losses	-2,161	-96,835	-191,823	-108,537	-399,356
NET AMOUNT	**18,255**	**138,218**	**89,960**	**38,725**	**285,158**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

Property, plant and equipment items, with a total net carrying amount of €285,158,000 at 30 September 2015, essentially include the assets used in the operations of:

- **the Center Parcs and Sunparks villages,** with a net amount of €208,032,000, mainly consisting of furniture and general fittings needed for operating the villages;

  The main changes for the year arose from:

  - investments of €20,544,000 for improving the product mix of all the Center Parcs villages, including €8,574,000 for the French villages, €6,078,000 for the Dutch villages, €3,645,000 for the Belgian villages and €2,247,000 for the German villages,
  - depreciation for the period of €26,317,000;

- **the Pierre & Vacances Tourisme Europe residences and villages,** for a net amount of €75,026,000. Property, plant and equipment mainly comprise general services, fittings and furniture needed for operating the sites.

During the financial year, the operating companies invested €5,641,000, primarily to modernise existing sites.

Depreciation for the period stood at €11,509,000.

Investment subsidies are shown as a reduction in the value of the asset for which they were received. At 30 September 2015, the Pierre & Vacances-Center Parcs Group had not recorded any significant amounts for investment subsidies.

Finance leases:

At 30 September 2015, the net amount of "Property, plant and equipment" included €114,718,000 representing the restatement of such assets under finance leases, compared with €118,085,000 at

30 September 2014. The corresponding residual financial liability stood at €107,991,000 at 30 September 2015, compared with €108,452,000 at 30 September 2014 (see Note 18 "Financial liabilities").

At 30 September 2015, the line item "Finance leases" includes the following property, plant and equipment items:

- the central facilities of the Domaine Center Parcs du Lac d'Ailette for €112,533,000; the corresponding financial liability amounts to €105,684,000;
- the overhaul of the television sets in the residences operated by Pierre & Vacances Tourisme Europe. At 30 September 2015, these assets are fully depreciated and the corresponding financial liability amounts to €87,000;
- heating systems for nine Center Parcs sites in Belgium and the Netherlands and a server costing €2,185,000. The corresponding financial liability amounted to €2,220,000 at 30 September 2015.

NOTE 8 Equity-accounted investments

Under IFRS 11, the revenues and expenses, assets and liabilities of interests in associates or joint ventures are consolidated in the Group's consolidated financial statements using the equity method.

At 30 September 2015, the following companies were consolidated using the equity method:

- Entities comprising the Adagio group (50%);
- Villages Nature Group entities (50%, with the exception of SNC Nature Hébergements 1);
- SNC Nature Hébergements 1 (37.5%);
- SDRT-Immo (25%);
- La SAS Foncière Presqu'île de la Touques (50%);
- La Financière Saint-Hubert SARL (55%);
- Les Senioriales Ville de Castanet (50%);
- Les Senioriales Ville de Tourcoing (50%);
- Part House SRL (55%);
- Nuit & Jour Projections SL (50%);
- SNC N.L.D. (50%);
- SCCV Nantes Russeil (50%);
- SNC Caen Meslin (40%);
- SCI Montrouge Développement (50%).

(in € thousands)	30/09/2015	30/09/2014 restated(1)
Villages Nature sub-group	11,391	9,994
SDRT-Immo	2,471	2,481
Other joint ventures	1,152	217
NET VALUE OF EQUITY-ACCOUNTED INVESTMENTS	**15,014**	**12,692**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

In addition, some joint ventures are negative contributors. This was mainly the Financière de Saint Hubert company.

A provision for liabilities was recognised for these companies in the group's consolidated financial statements. This amounted to €489,000 at 30 September 2015.

Summary of financial information for the main joint ventures

A summary of financial information (based on 100%) for each of the main joint ventures is shown below. These amounts are taken from the joint ventures' financial statements, prepared in accordance with IFRS and Pierre & Vacances-Center Parcs Group accounting principles and methods.

2014/2015 Income statement

Condensed income statement of joint ventures (based on 100%) *(in € thousands)*	Adagio	Villages Nature	Other	
Revenue	70,305	82,341	8,985	
Purchases and external services	-40,775	-72,914	-8,607	
Employee expenses	-17,036	-4,168	0	
Depreciation, amortisation and impairment	-2,279	-76	-614	
Other operating income and expenses on ordinary activities	-1,972	-1,412	0	
OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES	**8,243**	**3,771**	**-236**	
Other operating income and expenses	-5	0	0	
OPERATING PROFIT (LOSS)	**8,238**	**3,771**	**-236**	
Costs of net financial debt	-149	0	257	
Other financial income and expenses	-213	0	-260	
NET FINANCIAL INCOME (EXPENSES)	**-362**	**0**	**-2**	
Tax expense	-3,196	-1,367	-199	
PROFIT (LOSS) FOR THE YEAR (BASED ON 100%)	**4,680**	**2,404**	**-438**	
				TOTAL
Percentage shareholding (weighted average)	50%	45%	60%	
Group's share of profit (loss)	**2,340**	**1,072**	**-262**	**3,150**

2013/2014 Income statement

Condensed income statement of joint ventures (based on 100%) *(in € thousands)*	Adagio	Villages Nature	Other	
Revenue	64,810	108,428	2,691	
Purchases and external services	-41,385	-102,882	-2,793	
Employee expenses	-14,680	-2,578	-18	
Depreciation, amortisation and impairment	-2,138	-24	1,114	
Other operating income and expenses on ordinary activities	-1,130	448	-78	
OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES	**5,477**	**3,393**	**917**	
Other operating income and expenses	-35	0	0	
OPERATING PROFIT (LOSS)	**5,442**	**3,393**	**917**	
Costs of net financial debt	-272	-518	-2	
Other financial income and expenses	114	-118	0	
NET FINANCIAL INCOME (EXPENSES)	**-158**	**-636**	**-2**	
Tax expense	-2,160	-491	-69	
PROFIT (LOSS) FOR THE YEAR (BASED ON 100%)	**3,124**	**2,266**	**846**	
				TOTAL
Percentage shareholding (weighted average)	50%	49%	54%	
Group's share of profit (loss)	**1,562**	**1,099**	**458**	**3,119**

Statement of financial position at 30 September 2015 (financial data based on 100%)

Assets *(in € thousands)*	Adagio	Villages Nature	Other joint ventures
Non-current assets	22,754	15,637	9,894
Current assets	43,328	471,225	27,268
TOTAL ASSETS	**66,082**	**486,862**	**37,162**

Equity and liabilities *(in € thousands)*	Adagio	Villages Nature	Other joint ventures
Equity	1,318	27,604	9,815
Non-current liabilities	3,274	51,643	4,944
Current liabilities	61,490	407,615	22,403
TOTAL EQUITY AND LIABILITIES	**66,082**	**486,862**	**37,162**

Statement of financial position at 30 September 2014 (financial data based on 100%)

Assets *(in € thousands)*	Adagio	Villages Nature	Other joint ventures
Non-current assets	19,105	1,676	9,934
Current assets	43,164	383,607	30,022
TOTAL ASSETS	**62,269**	**385,283**	**39,957**

Equity and liabilities *(in € thousands)*	Adagio	Villages Nature	Other joint ventures
Equity	-3,649	25,433	10,198
Non-current liabilities	2,141	13,846	8,288
Current liabilities	63,777	346,004	21,470
TOTAL EQUITY AND LIABILITIES	**62,269**	**385,283**	**39,957**

NOTE 9 Available-for-sale financial assets

(in € thousands)	30/09/2015	30/09/2014 restated[(1)]
Gross amount	**1,631**	**1,639**
Accumulated impairment losses	-	-
NET AMOUNT	**1,631**	**1,639**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

"Available-for-sale financial assets" primarily represent the 10% equity interest held by Multi Resorts Holding BV for €1,552,000 in Gran Dorado Zandvoort BV, Gran Dorado Port Zélande BV and Medebach Park BV. On 18 July 2006, the Group was required to buy these shares when renegotiating the leases with the new owner of the land and buildings of these three Center Parcs villages.

The other "Available-for-sale financial assets" are equity interests in various companies in which the Pierre & Vacances-Center Parcs Group does not have a controlling interest and over which it does not exercise significant influence.

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NOTE 10 Other non-current financial assets

(in € thousands)	30/09/2015	30/09/2014 restated[(1)]
GROSS LOANS AND OTHER FINANCIAL ASSETS	**25,299**	**22,704**
Accumulated impairment losses	-285	-285
NET LOANS AND OTHER FINANCIAL ASSETS	**25,014**	**22,419**
TOTAL	**25,014**	**22,419**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

"Loans and other financial assets", whose net carrying amount at 30 September 2015 was €25,014,000, consist primarily of guarantee deposits paid to property owners in the amount of €20,607,000 and to lessors and suppliers in the amount of €3,978,000.

NOTE 11 Inventories and work in progress

(in € thousands)	30/09/2015	30/09/2014 restated[(1)]
Work in progress	142,928	198,072
Finished goods	66,702	73,539
GROSS PROPERTY DEVELOPMENT PROGRAMMES	**209,630**	**271,611**
Impairment losses	-5,842	-2,032
NET PROPERTY DEVELOPMENT PROGRAMMES	**203,788**	**269,579**
Other inventories	9,888	10,054
TOTAL	**213,676**	**279,633**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

The decrease in the net amount of inventories and work in progress during the year (€65,957,000) is essentially due to the changes in the contribution of the property development programmes (€65,791,000).

The breakdown of the contribution of each of the property development programmes to the gross amount of the inventories is shown in Note 12.

NOTE 12 Contribution of property development programmes to the gross amount of inventories

(in € thousands)	30/09/2014 inventories	Total increases	Total reductions	Inventories 30/09/2015
Center Parcs Roybon	35,246	3,515	0	38,761
Manilva	24,472	0	-1,533	22,939
Center Parcs Bois Harcholins	18,721	5,266	-1,064	22,923
Center Parcs Allgäu	9,613	2,616	-164	12,065
Center Parcs Bois de la Mothe Chandenier	71,399	181,670	-242,547	10,522
Presqu'île de La Touques	8,452	1,233	-1,016	8,669
Flaine Montsoleil Centre	6,451	10,491	-9,667	7,275
Center Parcs Port Zelande	0	6,566	-1,044	5,522
Ville d'Emerainville (Senioriales)	5,380	8,663	-8,932	5,111
Center Parcs Poligny (Jura)	4,271	533	-1	4,803
Vias (Senioriales)	1,040	3,920	-161	4,799
Center Parcs le Rousset (Saône et Loire)	4,268	455		4,723
Ville de Manosque (Senioriales)	3,641	3,685	-2,932	4,394
Center Parcs Sud Ouest	3,654	540		4,194
Center Parcs Vielsalm	1,951	6,432	-4,527	3,856
Pont Aven (Senioriales)	5,152	145	-1,494	3,803
Boulou (Senioriales)	2,822	4,948	-4,188	3,582
Meribel Ravines	665	2,316		2,981
Pringy (Senioriales)	4,270	399	-1,689	2,980
Bracieux	3,658	215	-1,185	2,688
Medis (Senioriales)	820	2,568	-824	2,564
Ville de Cenon (Senioriales)	3,615	4,953	-6,647	1,921
Ville de Marseille (Senioriales)	4,223	48	-2,415	1,856
Cavillargues (Senioriales)	2,413	2,732	-3,653	1,492
Dijon (Senioriales)	0	1,516	-27	1,489
Charleval (Senioriales)	2,505	260	-1,286	1,479
Juvignac (Senioriales)	1,982	45	-711	1,316
Nandy (Senioriales)	903	273	0	1,176
Izon	2,241	1,846	-2,977	1,110
Center Parcs Nordseeküste	0	1,064	-69	995
Nîmes (Senioriales)	362	614	-1	975
St Laurent de la Prée (Senioriales)	2,249	101	-1,393	957
Center Parcs Chaumont	2,587	345	-1,987	945
Avoriaz	6,154	420	-5,749	825
Ville de Bruges (Senioriales)	349	345	0	694
Ville de Saint Avertin (Senioriales)	1,047	22	-437	632
Pollestres (Senioriales)	169	390	0	559
Rilleux la Pape (Senioriales)	0	541	-1	540
Bassan (Senioriales)	631	25	-140	516
Perpignan (Senioriales)	535	0	-33	502

(in € thousands)	30/09/2014 inventories	Total increases	Total reductions	Inventories 30/09/2015
Center Parcs Bois Francs Foncière	501	0	0	501
Boisroger	500	0	0	500
Montagnac (Senioriales)	0	450	0	450
Ville de Mions (Senioriales)	1,152	55	-758	449
Soulac (Senioriales)	419	93	-93	419
Dhuizon Loisirs	356	0	0	356
Soustons (Senioriales)	0	266	0	266
Gonfaron (Senioriales)	0	264	0	264
Teyran (Senioriales)	216	39	0	255
Paradou (Senioriales)	224	2	-2	224
La Celle (Senioriales)	1,687	115	-1,603	199
Colmar Loisirs	1,758	4,249	-5,963	44
St Cast Le Guildo	2,364	11	-2,352	23
SNC Chaumont Rénovation	0	1,233	-1,233	0
Center Parcs Bostalsee	9,961	0	-9,961	0
Various property developments (individually less than €200,000)	4,561	15,013	-13,028	6,546
SUBTOTAL PROPERTY DEVELOPMENT	**271,611**	**283,506**	**-345,487**	**209,630**

The gross change in finished goods and work in progress related to property development programmes comprises:

- €283,506,000 in increases for the year arising essentially from:
  - work done during the year on the new construction programmes thus creating an increase in gross inventory of €277,418,000.

    The main programmes concerned are Center Parcs Bois de la Mothe Chandenier (€181,670,000), Les Senioriales property development programmes (€45,498,000), Flaine Montsoleil Centre (€10,491,000), Center Parcs Port Zelande (Netherlands) (€6,566,000), Center Parcs Vielsalm (Belgium) (€6,432,000), Center Parcs Bois des Harcholins (€5,266,000) and Colmar Loisirs (€4,249,000),
  - acquisitions of land for new construction programmes totalling €6,088,000. This amount primarily concerns the land acquired for the property development programmes Les Senioriales de Vias (€2,000,000), Les Senioriales de Medis (€1,366,000), Roybon Équipements (€360,000) and Roybon Cottages (€251,000);
- reductions, particularly due to the recognition of deferred income from new construction or renovation programmes totalling €345,487,000. These reductions are specifically recognised for the following programmes: Center Parcs Bois de la Mothe Chandenier (-€242,547,000), Les Senioriales property development programmes (-€47,969,000), Center Parcs Bostalsee (-€9,961,000), Flaine Montsoleil Centre (-€9,667,000) and Colmar loisirs (-€5,963,000), Avoriaz (-€5,749,000) and Vielsalm (-€4,527,000).

Besides these changes, the gross amount of property programme inventories also includes:

- the Manilva programme, representing 175 apartments in Spain. Sales during the year were made at prices higher than the average inventory price. Sales of these apartments are likely to accelerate over the next financial year;
- the Center Parcs Roybon programme, for which prefectoral decrees signed in October 2014 authorising the project in terms of the water law and the protected species law were the object of appeals filed by opponents to the project in November 2014. In view of the procedures underway mentioned in Note 2 "Main events during the year and scope of consolidation", the domain's opening could be delayed until 2019.

NOTE 13 Trade receivables

(in € thousands)	30/09/2015	30/09/2014 restated(1)
Property development	122,828	217,670
Tourism business	92,413	115,955
Services	2,204	1,918
GROSS TRADE RECEIVABLES	**217,445**	**335,543**
Property development	-574	-723
Tourism business	-7,148	-9,514
Services	-189	-298
IMPAIRMENT LOSSES	**-7,911**	**-10,535**
TOTAL	**209,534**	**325,008**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

At 30 September 2015, the net value of trade receivables had fallen by €115,474,000.

This variation was mainly due to the property development business (€94,693,000). It was primarily the result of a call for funds for the Bois de la Mothe Chandenier property development programme (€77,086,000).

In contrast, the Tourism business had a €21,176,000 drop in its net receivables.

The trade receivables ageing schedule is presented in Note 25.

NOTE 14 Other current assets

14.1 - Other current assets

(in € thousands)	30/09/2015	30/09/2014 restated(1)
Advances and prepayments to suppliers	18,225	11,103
Taxes and duties	102,864	113,656
Other receivables	72,342	66,115
GROSS AMOUNT	**193,431**	**190,874**
Impairment losses	-1,188	-172
NET OTHER RECEIVABLES	**192,243**	**190,702**
Pre-paid rent expense	18,933	18,243
Other pre-paid expenses	16,541	14,935
PREPAID EXPENSES	**35,474**	**33,178**
TOTAL OTHER CURRENT ASSETS	**227,717**	**223,880**

(1) The data have been restated for the first-time adoption of IFRS 11 and IFRIC Interpretation 21.

Other current assets amounted to €227,717,000 at 30 September 2015, up €3,837,000 on the 2014/2015 financial year. This change was mainly due to the increase in other receivables and advances and prepayments to suppliers (€13,349,000), partially offset by the drop in tax claims (-€10,792,000).

In the 2014/2015 financial year, the Group transferred its competitiveness and employment tax credit (CICE) for the 2013 calendar year. This transaction, discounted without recourse, made it possible to transfer virtually all the risks and benefits associated with this account receivable, which was, as a result, derecognised from the balance sheet. The transfer was reflected by net proceeds of €2,951,000 in the 2014/2015 financial year.

In addition, the Group instituted proceedings to obtain a VAT refund from the Tax Authorities. There were positive developments in respect of this dispute in the 2014/2015 financial year, the French Council of State handing down a ruling on 24 June 2015 confirming every aspect of the Group's analysis. No financial risk is, therefore, anticipated with regard to the amount due for receivables recognised in this regard.

14.2 - Current financial assets

(in € thousands)	30/09/2015	30/09/2014 restated(1)
External current accounts	14,596	28,606
Loans under the "Ownership & Holidays" programme	7,906	8,347
TOTAL	**22,502**	**36,953**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

"Current financial assets" mainly include the debit current accounts of joint ventures as well as several loans under the "Ownership & Holidays" programme.

NOTE 15 Cash and cash equivalents

Breakdown of the cash and cash equivalents balance shown in the consolidated statement of cash flows:

(in € thousands)	30/09/2015	30/09/2014 restated(1)
Cash	40,801	29,465
Cash equivalents (money market funds and deposits)	0	7,432
TOTAL	**40,801**	**36,897**
Bank credit balances	-1,187	-36,816
NET CASH AND CASH EQUIVALENTS	**39,614**	**81**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

Analysis of cash equivalents by type:

(in € thousands)	30/09/2015 Fair value	30/09/2014 restated(1) Fair value
Money market funds	0	7,432
Certificates of deposit	-	0
TOTAL	**0**	**7,432**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

The Group invested, through first class banking institutions, in money market funds that comply with the AMF criteria listed in Note 1.17 – Cash and cash equivalents.

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NOTE 16 Group shareholders' equity

Issued capital and share premium

During 2014/2015, Pierre et Vacances SA did not carry out any capital increase by issuing new shares.

Share capital at 30 September 2015 was €88,215,510, divided into 8,821,551 fully paid-up ordinary shares with a par value of €10 each. During the year ended 30 September 2015, the weighted average number of ordinary shares outstanding stood at 8,446,565.

Potential capital

Analysis of the potential capital and its movements during 2014/2015 and 2013/2014:

	30/09/2015	30/09/2014
Number of shares at 1 October	**8,821,551**	**8,821,551**
Number of shares issued during the year *(prorata temporis)*		
Pierre & Vacances share options exercised	-	-
Pierre & Vacances shares held by Pierre et Vacances SA	-374,986	-375,028
and deducted from consolidated equity		
Weighted average number of shares	**8,446,565**	**8,446,523**
Dilutive effect		
Pierre & Vacances share options granted	-	-
Pierre & Vacances bonus shares granted	281,385	263,224
Weighted average number of diluted shares	**8,727,950**	**8,709,747**

Treasury shares

During financial year 2014/2015, the Pierre & Vacances-Center Parcs Group disposed of treasury shares worth €90,000.

At 30 September 2015, the Group held 373,345 treasury shares for a total value of €11,554,000.

Dividends paid

The Shareholders' Combined Ordinary and Extraordinary Meeting of 5 March 2015 decided not to distribute any dividend.

NOTE 17 Provisions

(in € thousands)	30/09/2014 restated(1)	Additions	Reversals used	Reversals not used	Other changes	30/09/2015
Provisions for renovations	4,676	1,361	-219	-690	0	5,128
Provisions for retirement and other post-employment benefits	21,348	1,773	-3,512	0	-1,905	17,704
Provisions for legal proceedings	1,760	593	-463	-20	0	1,870
Other provisions	3,399	2,782	-736	1	-1,345	4,101
TOTAL	**31,183**	**6,509**	**-4,930**	**-709**	**-3,250**	**28,803**
Non-current portion	*25,184*					*21,544*
Current portion	*5,999*					*7,259*

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

The provisions for renovations represent the Group's contractual commitments and maintenance policy for its leased property (see Note 1.20 – "Provisions").

The €2,380,000 reduction in provisions was mainly due to a reduction in provisions for end of service awards. This was essentially the result of changes made, as of 1 January 2015, to the retirement plans of some Group employees in the Netherlands.

(in € thousands)	30/09/2015	30/09/2014 restated(1)
Provisions for renovations	4,985	4,435
Provisions for retirement and other post-employment benefits	14,674	18,503
Provisions for legal proceedings	250	110
Other provisions	1,635	2,136
NON-CURRENT PROVISIONS	**21,544**	**25,184**
Provisions for renovations	143	241
Provisions for retirement and other post-employment benefits	3,030	2,845
Provisions for legal proceedings	1,620	1,650
Provisions for restructuring costs	2,363	906
Other provisions	103	357
CURRENT PROVISIONS	**7,259**	**5,999**
TOTAL	**28,803**	**31,183**

(1) The data have been restated for the first-time adoption of IFRS 11 and IFRIC Interpretation 21.

Provisions for legal proceedings

At 30 September 2015, provisions for legal proceedings amounted to €1,870,000 in total, including €1,620,000 of current provisions and €250,000 of non current provisions.

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

Breakdown of provisions for legal proceedings and their changes during the year:

(in € thousands)	Tourism	Property development	Individual employee disputes	Total
Balance at 30 September 2014, restated(1)	**0**	**191**	**1,569**	**1,760**
New legal proceedings	0	0	593	593
Reversals related to expenses for the financial year		-40	-344	-384
Reversals not used			-99	-99
BALANCE AT 30 SEPTEMBER	**0**	**151**	**1,719**	**1,870**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

At 30 September 2015, except for the pending procedures described in Note 2 "Highlights for 2014/2015 and scope of consolidation", and for which the Group does not anticipate any financial risk, no governmental, legal or arbitration procedure (including any proceedings known to the Group either pending or threatened) of any significant character, either individually or globally, affected the financial position or profitability of the Group.

Provisions for restructuring costs

Provisions for restructuring costs are broken down as follows:

(in € thousands)	Financial year 2014/2015	Financial year 2013/2014 restated(1)
Balance of provisions at 1 October	**906**	**3,987**
New restructuring costs	1,635	642
Reversals related to expenses for the financial year	-178	-3,714
Reversals not used	0	-248
Reclassifications	0	239
BALANCE OF PROVISIONS AT 30 SEPTEMBER	**2,363**	**906**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

Changes in provisions for restructuring costs are related to the reorganisation of the Group and primarily include termination benefits.

Provisions for retirement and other post employment benefits

Provisions for retirement and other post-employment benefits, which are assessed by independent actuaries, are determined according to the Group's accounting principles and methods (see Note 1.21 – Provisions for retirement and other post-employment benefits). The obligations reported relate primarily to France and the Netherlands. The main actuarial assumptions used by country:

	30/09/2015		30/09/2014	
	France	The Netherlands	France	The Netherlands
Discount rate	1.75%	1.75%	2.00%	2.00%
Salary increase rate	2.00%	2.10%	2.00%	2.25%
Inflation rate	2.00%	2.00%	2.00%	2.00%

The assumptions for expected long-term return on assets and discount rates used for estimating the Group's obligations have been defined on the basis of recommendations from independent experts. The discount rate is determined by reference to a market rate based on category one European company obligations (Iboxx Corporate AA 10 +).

Analysis of the amounts recognised on the statement of financial position at 30 September:

	30/09/2015			30/09/2014(1)		
(in € thousands)	Retirement plans	Other benefits	Total	Retirement plans	Other benefits	Total
Discounted benefit obligation	104,874	6,679	111,553	103,158	5,748	108,906
Fair value of plan assets	93,849		93,849	87,558		87,558
NET LIABILITY RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION	**11,025**	**6,679**	**17,704**	**15,600**	**5,748**	**21,348**

(1) Restated for the impact of the first-time adoption of IFRS 11, as described in Note 1.3.

Change in provisions for retirement and other post-employment benefits:

	Financial year 2014/2015			Financial year 2013/2014[1]		
(in € thousands)	Retirement plans	Other benefits	Total	Retirement plans	Other benefits	Total
Actuarial liability at 1 October	**15,600**	**5,748**	**21,348**	**17,192**	**5,458**	**22,650**
Current service cost	2,208	505	2,713	1,825	506	2,331
Interest cost	1,747	104	1,851	2,578	138	2,716
Return on plan assets	-1,541	0	-1,541	-2,153	0	-2,153
Contributions received and benefits paid	-335	-355	-690	-555	-360	-915
Recognised actuarial differences	-1,797	-475	-2,272	-2,364	481	-1,882
Services cancelled	0	0	0	0	0	0
Past service cost	-4,831	1,175	-3,656	-727	-405	-1,132
Change in scope of consolidation	-26	-23	-50	-196	-70	-266
ACTUARIAL LIABILITY AT 30 SEPTEMBER	**11,025**	**6,679**	**17,704**	**15,600**	**5,748**	**21,348**

(1) Restated for the impact of the first-time adoption of IFRS 11, as described in Note 1.3.

Breakdown of the change in the fair value of the assets held to cover the commitments:

(in € thousands)	Financial year 2014/2015	Financial year 2013/2014 restated[1]
Fair value of investments at 1 October	**87,558**	**70,879**
Effective return on plan assets	1,541	2,136
Employer contributions received	491	496
Contributions received from plan members	586	784
Benefits paid and expenses for the year	-1,905	-1,619
Actuarial differences	5,578	14,882
FAIR VALUE OF INVESTMENTS AT 30 SEPTEMBER	**93,849**	**87,558**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

Sensitivity analysis of the fair value of plan assets

The sensitivity of the fair value of the plan assets for the year is as follows: a 0.25 point increase in the asset discount rate would reduce the fair value of the plan assets by €4,612,000. Conversely, a 0.25 point decrease in the asset discount rate would increase the fair value of the plan assets for the year by €4,956,000.

Analysis of the fair value of the assets held to cover the commitments, by asset category:

(in € thousands)	30/09/2015	30/09/2014
Cash	-	24
Shares	-	2,609
Fixed-income investments	-	9,742
Insurance	93,849	75,183
FAIR VALUE	**93,849**	**87,558**

Sensitivity analysis of the discounted value of obligations

The sensitivity of the discounted value of obligations is as follows: a 0.25 point increase in the discount rate would decrease the discounted obligation by €5,699,000. Conversely, a 0.25 point decrease in the discount rate would increase the discounted obligation by €6,175,000.

NOTE 18 Financial liabilities

Breakdown by type and operating segment:

(in € thousands)	30/09/2015	30/09/2014 restated[1]
Long-term borrowings		
Amounts due to credit institutions	21,660	31,146
Tourism business	*21,660*	*29,641*
Property development	*0*	*1,505*
Outstanding bond issue	*108,743*	*111,273*
Tourism business	*108,743*	*111,273*
Property development		
Bridging loans	10,511	5,838
Property development	*10,511*	*5,838*
Finance leases	106,246	107,105
Tourism business	*106,246*	*107,105*
Other financial liabilities	568	1,670
Tourism business	*514*	*1,616*
Property development	*54*	*54*
SUBTOTAL LONG-TERM BORROWINGS	**247,728**	**257,032**
of which Tourism	***237,163***	***249,635***
of which Property development	***10,565***	***7,397***
Short-term borrowings		
Amounts due to credit institutions	11,824	10,532
Tourism business	*10,319*	*10,532*
Property development	*1,505*	*0*
Outstanding bond issue	3,959	0
Tourism business	*3,959*	*0*
Bridging loans	3,248	5,999
Property development	*3,248*	*5,999*
Finance leases	3,459	4,332
Tourism business	*3,459*	*4,332*
Other financial liabilities	1	37
Property development	*1*	*37*
Bank credit balances	1,187	36,816
Tourism business	*1,160*	*36,805*
PROPERTY DEVELOPMENT	*27*	*11*
SUBTOTAL LONG-TERM BORROWINGS	**23,678**	**57,716**
of which Tourism	***18,897***	***51,669***
of which Property development	***4,781***	***6,047***
TOTAL	**271,406**	**314,748**
of which Tourism	***256,060***	***301,304***
of which Property development	***15,346***	***13,444***

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

Bank borrowings and bridging loans at 30 September 2015 primarily included:

Tourism:

- the ORNANE-type bond issued on 4 February 2014 with a principal amount of €115,000,000 and maturing on 1 October 2019. Bonds redeemable in cash and new or existing shares (ORNANE) are convertible at any time by delivery of a new or existing share. They also give the issuer the option to make a partial payment (up to the principal of the bond) in cash when delivering the share. At 30 September 2015, the liability component amounted to €108,743,000;
- the embedded derivative component of the ORNANE bond, to be recognized under mark-to-market liabilities. Changes in the fair value of this derivative are recognised in financial income (expenses) under a separate item called "Change in the fair value of the ORNANE derivative". At 30 September 2015, the fair value of this derivative was €23,000;
- the principal amount outstanding (€31,500,000) on the Corporate loan following the renewal of the syndicated credit due in June 2015. As part of the refinancing of the Corporate loan in February 2014, the loan maturity was extended by four years, with the final payment scheduled for 19 February 2019;
- the residual balance of the OCÉANE-type bond issued on 2 February 2011 with an original principal amount of €115,000,000, maturing on 1 October 2015 and convertible at any time by the exchange of one new or existing share for each OCÉANE bond.

  On 13 February 2014, the Group redeemed 1,454,344 OCÉANE bonds, or 96.5% of all OCÉANE bonds outstanding at the time. At 30 September 2015, the liability component of the OCÉANE bonds outstanding totalled €3,959,000, or 3.5% of the bonds originally issued.

Property development:

- bridging loans totalling €13,759,000 put in place for property development programmes, the main of which are:
  - €4,811,000 for the construction of Les Senioriales – Emerainville,
  - €3,636,000 to finance the construction of Les Senioriales – Vias,
  - €2,064,000 to finance the Les Senioriales de Manosque property development programme,
  - €1,204,000 to finance the construction of Les Senioriales – Boulou,
  - €1,050,000 to finance the property development programme of Les Senioriales – Cenon.

As part of the Corporate loan refinancing (February 2014), the Pierre & Vacances-Center Parcs Group also has a confirmed credit line of €128 million.

There was no drawdown against this credit line at 30 September 2015.

During 2014/2015, the Pierre & Vacances-Center Parcs Group received €11,081,000 in new loans, primarily bridging loans (€8,514,000).

During the same period, the Group also repaid loans representing cash outflows of €19,892,000, primarily:

- €9,000,000 corresponding to a syndicated loan instalment;
- €6,593,000 corresponding to the repayment of various bridging loans.

In addition, the Pierre & Vacances-Center Parcs Group has four other confirmed credit lines, which are broken down as follows:

- €3.5 million due in January 2016;
- €5 million;
- €10 million;
- €15 million due in May 2016;

There was no drawdown against any of these credit lines at 30 September 2015.

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Analysis of the financial liabilities related to finance leases:

(in € thousands)	30/09/2015	30/09/2014
Le Domaine du Lac de l'Ailette	105,684 (1)	107,681
PV SA	1,714 (2)	2,985
CPE	2,220 (3)	-
PV Résidences & Resorts France	87 (4)	771
TOTAL	**109,705**	**111,437**

(1) The underlying net asset (€112,533,000 at 30 September 2015) is recorded in Property, plant and equipment (see Note 7).
(2) The underlying net asset (€1,639,000 at 30 September 2015) is recorded in Intangible assets (see Note 5).
(3) The underlying net asset (€2,185,000 at 30 September 2015) is recorded in Property, plant and equipment (see Note 7).
(4) The underlying net asset recorded in Property, plant and equipment was fully depreciated at 30 September 2015 (see Note 7).

Breakdown by maturity

Breakdown of the change in maturity of gross borrowings and other financial liabilities:

	Balance *(in € thousands)* at	
Maturities	30/09/2015	30/09/2014 restated(1)
Year N + 1	23,678	57,716
Year N + 2	20,066	19,128
Year N + 3	13,608	14,423
Year N + 4	7,319	11,266
Year N + 5	111,688	6,995
Year > N + 5	95,047(2)	205,220
TOTAL	**271,406**	**314,748**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.
(2) including €94,312,000 for finance leases.

Breakdown of main financial liabilities by interest rate type

Fixed rate

The main fixed-rate borrowings recorded as liabilities in the statement of financial position at 30 September 2015 relate to restatements of finance leases and the bond issue. The nominal amount of the fixed-rate borrowings was €222,320,000. The majority of these borrowings carry interest at percentages between 3.33% and 6.02%.

Issue date	Maturity date	Principal amount outstanding at 30/09/2015 *(in € millions)*	Interest rate
Finance leases			
21/09/2005	31/12/2038	105.7	6.02%
01/10/2009	30/07/2019	1.7	6.00%
01/10/2014	31/12/2024	1.9	6.00%
01/01/2015	31/12/2017	0.3	3.33%
Outstanding bond issue			
02/02/2011	01/10/2015	4.0	4.00%
04/02/2014	01/10/2019	108.7	3.50%
TOTAL		**222.3**	

Variable rate

The principal amount of variable rate bank borrowings, bridging loans and finance leases is €45,096,000 with a rate, depending on the loans, varying between Eonia and 12-month Euribor + margin.

To manage the risk associated with interest rate fluctuations on variable rate borrowings, the Pierre & Vacances-Center Parcs Group has set up interest rate swap contracts (the features of which are described in Note 20 – Hedging financial instruments).

Analysis of variable rate bank borrowings, bridging loans and finance leases together with their related hedging instruments:

Borrowings, bridging loans and leases				Hedging			
Issue date	Maturity date	Principal amount outstanding at 30/09/2015 *(in € millions)*	Interest rate	Instrument type	Notional amount at 30/09/2015 *(in € millions)*	Maturity date	Interest rate details
Amounts due to credit institutions:							
13/02/2014	19/02/2019	29.7	6-month Euribor + margin	Swap	12.6	19/09/2018	Int. rate rcv'd: 6-month Euribor Int. rate paid: fixed: 0,6950%
				Swap	12.6	19/09/2018	Int. rate rcv'd: 6-month Euribor Int. rate paid: fixed: 0.6790%
10/06/2011	30/03/2016	1.5	3-month Euribor + margin	None			
SUB-TOTAL		**31.3**			**25.2**		
Bridging loans:							
17/12/2014	31/07/2016	1.0	3-month Euribor + margin	None			
23/09/2014	31/12/2016	3.6	3-month Euribor + margin	None			
03/04/2014	03/04/2016	1.2	3-month Euribor + margin	None			
09/05/2014	09/05/2016	1.1	1-month Euribor + margin	None			
18/06/2014	18/12/2016	4.8	3-month Euribor + margin	None			
26/08/2014	26/08/2017	2.1	3-month Euribor + margin	None			
SUB-TOTAL		**13.8**			**0.0**		
Finance leases:							
07/01/2007	30/06/2016	0.1	12-month Euribor margin				
SUB-TOTAL		**0.1**			**0.0**		
TOTAL		**45.1**			**25.2**		

Collateral

(in € thousands)	30/09/2015	30/09/2014[1]
Guarantees and pledges	170,906	174,703
Mortgages	10,800	12,700
TOTAL	**181,706**	**187,403**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

Collateral pledged by the Group to secure repayment of its bank borrowings include:

- a first call guarantee of €170,906,000 that can be amortised, granted to the institution that provided the finance lease for the facilities at Domaine du Lac d'Ailette;
- high quality mortgages pledged for bridging loans for the following main property development programmes:
  - Les Senioriales – Manosque for €4,000,000,
  - Les Senioriales – Boulou for €3,600,000,
  - Les Senioriales – Cenon for €3,200,000.

Breakdown of the change in maturity of collateral:

	Balance *(in € thousands)* at	
Maturities	30/09/2015	30/09/2014 restated[1]
Year N + 1	10,221	5,697
Year N + 2	7,624	14,221
Year N + 3	3,848	3,624
Year N + 4	4,086	3,848
Year N + 5	4,351	4,086
Year > N + 5	151,576	155,927
TOTAL	**181,706**	**187,403**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

NOTE 19 Financial instruments

The table below shows the carrying amount and the fair value of the financial instruments recognised on the statement of financial position:

(in € thousands)	IAS 39 category	30/09/2015 Carrying amount(1)	30/09/2014 Carrying amount(1)(4)
ASSETS			
Non-current financial assets		26,644	24,058
Available-for-sale financial assets	Available-for-sale financial assets at fair value through other comprehensive income	1,631	1,639
Loans and other financial assets	Loans and receivables at amortised cost	25,013	22,419
Trade receivables	Loans and receivables at amortised cost	209,534	325,008
Other current assets(2)	Loans and receivables at amortised cost	71,154	65,943
Current financial assets	Loans and receivables at amortised cost	22,502	36,953
Cash and cash equivalents	Financial assets at fair value through profit or loss(3)	40,801	36,897
LIABILITIES			
Financial liabilities (including short-term portion)		270,219	277,932
Amounts due to credit institutions	Financial liabilities at amortised cost	33,484	41,678
Outstanding bond issue	Financial liabilities at amortised cost	112,702	111,273
Cash redemption option for the ORNANE bond	Financial liabilities at fair value through profit or loss	23	1,173
Finance leases	Financial liabilities at amortised cost	109,705	111,437
Other financial liabilities	Financial liabilities at amortised cost	14,328	13,544
Other non-current liabilities	Financial liabilities at amortised cost	1,963	2,992
Trade payables	Financial liabilities at amortised cost	331,973	372,008
Other financial liabilities(2)	Financial liabilities at amortised cost	120,351	120,899
Bank credit balances	Financial liabilities at amortised cost	1,187	36,816
Other current financial liabilities	Financial liabilities at amortised cost	9,663	13,650
Derivative financial instruments – liabilities	See Note 20 – Hedging financial instruments	298	340

(1) The fair values of financial assets and financial liabilities do not differ significantly from the carrying amounts.
(2) Other current assets and other current liabilities are restated from items not considered to be financial instruments within the meaning of IAS 39, that is to say advances and prepayments to suppliers, advances and deposits on orders in progress, receivables from and payables to the state, prepayments and deferred income.
(3) These assets are measured on the basis of their value on the regulated market.
(4) The data have been restated for the impact of the first-time adoption of IFRS 11.

NOTE 20 Hedging instruments

The derivative financial instruments contracted by the Pierre & Vacances-Center Parcs Group at 30 September 2015 are intended exclusively for the management of interest rate risk. They are deemed to be derivatives designated as cash flow hedging instruments.

Interest rate risk is generally managed relative to the Group's net financial liabilities in order to protect it against a possible rise in interest rates. To this end, the Group entered into swap agreements with leading banks.

At 30 September 2015, the notional amounts and market values of the swap contracts intended to hedge the variable rate borrowings were as follows:

Rate received	Rate paid	Notional at 30/09/2015 *(in € thousands)*	Market value of hedging contracts *(in € thousands)*	Start date	Maturity date
6-month Euribor	0.6950%	12,600	-150	19/09/2014	19/09/2018
6-month Euribor	0.6790%	12,600	-147	19/09/2014	19/09/2018
TOTAL		**25,200**	**-298**		

The market value of the swaps was -€298,000 at 30 September 2015, compared with -€340,000 at 30 September 2014 for the swaps outstanding at that date.

NOTE 21 Market risks

Cash flow management

Cash flow is managed centrally by the specialist staff of the Pierre & Vacances-Center Parcs Group's Finance Department. The surplus cash of subsidiaries is paid into the Group's centralising entity (Pierre & Vacances FI) which redistributes them to the entities that need them and invests the balance in "Euro Money Market" instruments to maximise liquidity and comply with the counterparty risk management policy. This centralisation means that financial resources are optimised and the main Group entities' cash flow trends are closely monitored.

Counter-party risk

These operations are carried out with banks authorised by Executive Management in line with the counter-party risk management policy. Because of the diversity of counter-parties, selected from leading banks according to their rating and the knowledge the Group has of them, Pierre & Vacances-Center Parcs considers that it is not exposed to a concentration of credit risk. Since Pierre & Vacances-Center Parcs Group Executive Management would like to be able to access, at any moment, any available cash equivalents consisting of unit trusts and mutual investment funds, these investments are short-term (less than three months) and liquid.

Credit risk

Because of the Group's marketing rules concerning the sale of property (selling off-plan), this activity does not pose any significant risks relating to these trade receivables.

In the tourism business, risk of non-payment by customers is low, with over 76% of revenue achieved by direct sale, whereby the payment for services occurs before these services are provided.

Group policy for indirect sales is to work with major market players, diversify its portfolio of tour operators and travel agencies, use agreements drawn up by the Legal Department assisted by its counsels, and check the solvency of the counter-parties.

Capital management

The Group capital management objective is to ensure operational continuity, the profitability of shareholders' capital, and the reliability of partner relationships and to maintain an optimal capital structure in order to limit the cost of committed funds.

To maintain or adjust the committed funds structure, the Group can issue new debt or repay existing debt, adjust the amount of dividends paid to shareholders, make a capital repayment to shareholders, issue new shares, repurchase existing shares or dispose of assets in order to reduce its debt.

The Group communicates on its debt ratio (net debt/equity), a capital control indicator.

Given the fact that the Pierre & Vacances-Center Parcs Group does not aim to own the residences and villages it develops and operates, its exposure to capital risk is therefore limited.

Liquidity risk

At 30 September 2015, the Pierre & Vacances-Center Parcs Group's net cash and cash equivalents balance stood at €39,614,000. This balance equals the gross amount of cash and cash equivalents (€40,801,000) less bank overdrafts (€1,187,000).

Furthermore, as indicated in Note 18, the Group has four confirmed credit lines, as well as one confirmed credit line linked to the Corporate loan. There was no drawdown against any of these credit lines at 30 September 2015.

The Group has therefore no liquidity risk.

Analysis of assets and liabilities associated with financing activities at 30 September 2015:

(in € thousands)	30/09/2015	Maturities < 1 year	1 to 5 years	> 5 years
Amounts due to credit institutions	33,484	11,824	21,660	0
Outstanding bond issue	112,702	3,959	108,743	0
Finance leases	109,705	3,459	11,767	94,479
Other financial liabilities	14,328	3,249	10,511	568
Bank credit balances	1,187	1,187	-	-
Gross financial liabilities excluding impact of derivatives	**271,406**	**23,678**	**152,681**	**95,047**
Derivative financial instruments – liabilities	298	298	-	-
Gross financial liabilities	**271,704**	**23,976**	**152,681**	**95,047**
Cash equivalents	0	0	-	-
Cash assets	-40,801	-40,801	-	-
Net financial debt	**230,903**	**-16,825**	**152,681**	**95,047**

None of the Pierre & Vacances-Center Parcs Group's bank borrowings are based on its debt rating. Contracts governing the Corporate loan and the credit lines contain standard clauses referring to the consolidated financial position of the Group.

The definition and levels of the ratios, also called financial covenants, are fixed in advance in agreement with the lenders. Compliance with the ratios is assessed only once a year at the reporting date. Failure to comply with these ratios authorises the lenders to call in some or all of the debt early.

These loans are all accompanied by the usual legal clauses: "negative pledge", "pari passu" and "cross default".

In the context of the refinancing of the Corporate loan in February 2014, a single ratio is now monitored: net adjusted financial liabilities/EBITDAR (net adjusted financial liabilities = Group net borrowings plus rent commitments over the next five years, discounted at 6.0%); EBITDAR = Group consolidated operating profit (loss) from ordinary activities plus net additions to depreciation/amortisation, provisions and impairment losses, and share-based payment expenses, before rent expense for the financial year (excluding registered offices). This ratio has to remain less than or equal to 3.50 with respect to financial year 2014/2015, in accordance with the new loan agreement signed during 2013/2014.

This covenant is calculated contractually only once a year, at 30 September. The Pierre & Vacances-Center Parcs Group complied with this ratio at 30 September 2015.

At 30 September 2015, contractual interest payments not discounted on financial liabilities outstanding, by maturity date, were as follows:

	30/09/2015	Maturities < 1 year	1 to 5 years	> 5 years
Contractual interest payments not discounted on outstanding financial liaibilities	**118,335**	**19,707**	**34,879**	**63,750**

Interest rate risk

The management of market risk relating to interest rate fluctuations is handled centrally by the Group's Finance Department.

The Group's policy is to reduce its exposure to interest rate fluctuations. To this end, the Group uses derivative hedging instruments such as interest rate swaps or interest rate caps. The Pierre & Vacances-Center Parcs Group's net financial income (expenses) thus has little sensitivity to interest rate changes. Bridging loans backing property transactions are generally not hedged against expected interest rate changes due to their usually limited duration.

Breakdown of financial assets and liabilities at 30 September 2015:

		Maturities		
(in € thousands)	30/09/2015	< 1 year	1 to 5 years	> 5 years
Fixed-rate borrowings	222,320	7,418	120,423	94,479
Variable-rate borrowings	45,096	12,838	32,258	
Other liabilities	568	0	0	568
Accrued interest expense	2,235	2,235	-	-
FINANCIAL LIABILITIES	**270,219**	**22,491**	**152,681**	**95,047**
Fixed-rate loans	8,446	630	2,316	5,499
Variable-rate loans	0	-	-	-
Variable-rate cash equivalents	0	0	-	-
FINANCIAL ASSETS	**8,446**	**630**	**2,316**	**5,499**
NET POSITION	**261,773**	**21,860**	**150,365**	**89,548**

The variable rate net position after management at 30 September 2015 was as follows:

(in € thousands)	30/09/2015
Borrowings	45,096
Loans	0
Cash equivalents	0
Net position before management	**45,096**
Hedging	25,200
NET POSITION AFTER MANAGEMENT	**19,896**

A 1% increase or decrease in short-term rates would have an effect of -€0.20 million and +€0.20 million, respectively, on net financial expenses for 2014/2015, compared with -€16.9 million of net financial expenses for 2014/2015.

Foreign exchange risk

The majority of the Group's assets and liabilities are denominated in euros. Only some subsidiaries have cash flows denominated in other currencies. As these subsidiaries are only small, the Group is not exposed to changes in foreign currency rates.

NOTE 22 Trade payables

(in € thousands)	30/09/2015	30/09/2014 restated(1)
Tourism business	258,828	257,644
Property development	61,635	104,923
Services	11,510	9,441
TOTAL	**331,973**	**372,008**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

"Trade payables" fell by €40,035,000. This decrease was mainly due to the group's property development business (-€43,288,000), specifically the Center Parcs Domaine du Bois aux Daims property development programme (-€24,878,000), and to a lesser extent, the Presqu'île de La Touques property development programme (-€6,861,000).

The trade payables ageing schedule is presented in Note 25.

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NOTE 23 Other current and non-current liabilities

23.1 – Other current and non-current liabilities

(in € thousands)	30/09/2015	30/09/2014 restated(1)
Advances and deposits on orders in progress	109,639	78,945
VAT and other tax liabilities	59,774	85,708
Employee and social security liabilities	62,207	62,248
Lease liabilities	1,963	3,001
Other liabilities	58,144	58,642
OTHER OPERATING LIABILITIES	**291,727**	**288,544**
Property sales and support funds	76,263	177,676
Other deferred income	19,012	13,591
DEFERRED INCOME	**95,275**	**191,267**
TOTAL OTHER LIABILITIES	**387,002**	**479,811**
Other financial liabilities	385,039	476,819
Other non-current liabilities	1,963	2,992

(1) The data have been restated for the first-time adoption of IFRS 11 and IFRIC Interpretation 21.

The €92,809,000 fall in "Other current and non-current liabilities" is mainly due to the property development business. It is directly linked to the drop in deferred income (-€95,992,000), and primarily corresponds to the Center Parcs Bois de la Mothe Chandenier (-€74,337,000), Flaine Montsoleil (-€7,536,000), Colmar Loisirs (-€4,591,000) and Nancy Loisirs (-€2,907,000) programmes.

23.2 – Current financial liabilities

(in € thousands)	30/09/2015	30/09/2014 restated(1)
External current accounts	9,663	13,650
Hedging financial instruments	298	340
	9,961	**13,990**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

Current financial liabilities mainly relate to current accounts with third parties linked to the Group or partners. The €4,029,000 fall stems from the decline in the current account of the parent company SITI (-€3,846,000).

NOTE 24 Change in working capital requirements

Change in working capital requirement for 2014/2015:

		30/09/2014 restated(1)	Change linked to activity	Other changes	30/09/2015
Net inventory value		279,633	-66,164	207	213,676
Trade receivables		325,008	-115,480	6	209,534
Other current assets		260,833	-10,131	-483	250,219
TOTAL WORKING CAPITAL REQUIREMENTS – ASSETS	**A**	**865,474**	**-191,775**	**-270**	**673,429**
Trade payables		372,008	-39,996	-39	331,973
Other current and non-current liabilities		493,801	-96,268	-570	396,963
TOTAL WORKING CAPITAL REQUIREMENTS – LIABILITIES	**B**	**865,809**	**-136,264**	**-609**	**728,936**
Working capital requirements	**A-B**	**-335**	**-55,511**	**339**	**-55,507**
including change in tax receivables and payables			*-7,255*		
including change in operating receivables and payables			*-48,256*		

(1) The data have been restated for the first-time adoption of IFRS 11 and IFRIC Interpretation 21.

Other changes mainly include reclassifications of statement of financial position items, as well as the impact of fluctuations in exchange rates and changes in Group structure.

NOTE 25 Maturity of receivables and liabilities

(in € thousands)	30/09/2015	Amounts not yet due or due for < 1 year	Amounts due between 1 and 5 years	Amounts due in > 5 years
Other non-current financial assets	25,014	25,000	8	6
Trade receivables (net)	209,534	209,534	-	-
Other current assets and current financial assets	250,219	250,076	143	-
TOTAL	**484,767**	**484,610**	**151**	**6**
Other non-current liabilities	1,963	1,963	-	-
Trade payables	331,973	331,973	-	-
Other current liabilities and current financial liabilities	395,000	393,259	1,337	404
TOTAL	**728,936**	**727,195**	**1,337**	**404**

Analysis of the main profit and loss items

NOTE 26 Revenue

(in € thousands)	2015/2014	2013/2014 restated data(1)
Tourism business	1,155,723	1,121,294
Pierre & Vacances Tourisme Europe(2)	*569,519*	*570,578*
Center Parcs Europe(3)	*586,204*	*550,716*
Property development	226,740	257,246
TOTAL	**1,382,463**	**1,378,540**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.
(2) Pierre & Vacances Tourisme Europe includes Pierre & Vacances, Maeva and Aparthotels Adagio.
(3) Center Parcs Europe houses the Center Parcs and Sunparks brands.

Revenue by country

(in € thousands)	2015/2014	2013/2014 restated data(1)
France	731,542	718,644
The Netherlands	202,853	194,851
Belgium	99,937	94,726
Germany	98,042	91,207
Spain	23,274	21,714
Italy	52	152
Other	23	0
TOURISM BUSINESS	**1,155,723**	**1,121,294**
France	210,077	233,312
Germany	14,147	20,402
Spain	1,885	3,532
The Netherlands	355	0
Morocco	276	0
PROPERTY DEVELOPMENT	**226,740**	**257,246**
TOTAL	**1,382,463**	**1,378,540**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

Revenue in France, where the registered office is located, amounted to €941,619,000.

NOTE 27 Purchases and external services

(in € thousands)	2014/2015	2013/2014 restated[(1)]
Cost of goods sold – Tourism	-34,470	-34,365
Cost of inventories sold – Property development	-147,324	-156,679
Rent and other co-ownership expenses	-451,092	-454,495
Subcontracted services (laundry, catering, cleaning)	-74,331	-71,923
Advertising and fees	-110,271	-121,483
Other	-166,001	-161,291
TOTAL	**-983,489**	**-1,000,236**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

The €16,747,000 drop in purchases and external services is mainly linked to the property development business (€9,355,000 drop in the cost of inventories sold).

Rent expense for 2014/2015 to individual and institutional owners of the land and buildings of the residences and villages operated by the Group was €362.7 million (€182.9 million for those marketed under Pierre & Vacances Tourisme Europe; and €179.8 million for Center Parcs Europe villages). This expense was €365.7 million for 2013/2014.

NOTE 28 Employee expenses

(in € thousands)	2014/2015	2013/2014 restated[(1)]
Salaries and wages	-231,348	-227,105
Social security expenses	-77,997	-75,664
Defined-contribution and defined-benefit plan expenses	2,102	-727
Share-based payment expenses	-631	-1,048
TOTAL	**-307,874**	**-304,544**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

Employee expenses amounted to €307,874,000 in 2014/2015, up by €3,330,000 compared with 2013/2014. This amount included the recognition of accrued income for €5,451,000 corresponding to the competitiveness and employment tax credit (Crédit d'Impôt pour la Compétitivité et l'Emploi – CICE), compared with €4,606,000 for the previous financial year.

Share-based payment expenses

The features of the plans reported are as follows:

Date of grant by the Board of Directors *(in € thousands)*	Type(1)	Number of options granted	Vesting period	Share-based payment expenses: Financial year 2014/2015	Share-based payment expenses: Financial year 2013/2014
03/03/2011	OAA (share purchase option)	222,500	4 years	-261	-944
28/05/2013	AGA	229,778	3 years	-289	-289
03/09/2013	AGA	13,333	3 years	-18	-18
02/12/2013	AGA	15,555	3 years	-69	-57
26/05/2014	AGA	20,889	3 years	-106	-37
02/12/2014	AGA	2,222	3 years	-9	-
TOTAL				**-752**	**-1,345**

(1) OSA: share subscription option.
OAA: share purchase option.
AGA: bonus share grant.

The employee expense recognised is the fair value of the options granted as calculated on the date of grant by the Board of Directors using the "Black & Scholes" method. This expense is spread over the vesting period along with corresponding increases in reserves.

The total expense is reported as €631,000 under employee expenses and as €121,000 under additional restructuring costs.

The following table presents the valuation assumptions and results for share options and bonus shares:

	Share price on date of grant	Exercise Price	Volatility	Expected life	Expected maturity	Risk-free rate	Expected dividend yield rate	Probability of beneficiaries leaving	Option value on date of grant
Plan 03/03/2011	€63.50	€63.93	36.80%	10 years	4 years	3.65%	3.19%	3%	€17.58
Plan 28/05/2013	€16.15	€0	36%	3 years	3 years	0.493%	2.5%	3%	€3.27
Plan 03/09/2013	€15.95	€0	37%	3 years	3 years	0.702%	2.5%	3%	€3.09
Plan 02/12/2013	€23.46	€0	39%	3 years	3 years	0.450%	2.17%	3%	€9.21
Plan 26/05/2014	€32.41	€0	42%	3 years	3 years	0.559%	0.2%	3%	€13.21
Plan 02/12/2014	€22.87	€0	41%	3 years	3 years	0.210%	0.0%	3%	€10.39

NOTE 29 Depreciation, amortisation and impairment

(in € thousands)	2014/2015	2013/2014 restated[(1)]
Depreciation and amortisation	-43,776	-46,248
Impairment losses	-19,066	-5,220
TOTAL	**-62,842**	**-51,467**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

Depreciation, amortisation and impairment amounted to -€19,066,000 in the 2014/2015 financial year. It does not include any reversals of unused provisions (compared with €277,000 for the 2013/2014 financial year).

NOTE 30 Other operating income and expenses from ordinary activities

(in € thousands)	2014/2015	2013/2014 restated[(1)]
Taxes and duties	-14,070	-14,132
Other operating expenses on ordinary activities	-11,232	-10,783
Other operating income from ordinary activities	13,099	9,943
TOTAL	**-12,203**	**-14,972**

(1) The data have been restated for the first-time adoption of IFRS 11 and IFRIC Interpretation 21.

"Other operating income and expenses from ordinary activities" comprise primarily taxes and duties such as payroll taxes (learning tax, training tax) and real estate tax; other operating income such as subsidies and insurance reimbursements; and other operating expenses such as certain registered office expenses.

NOTE 31 Other operating income and expenses

(in € thousands)	2014/2015	2013/2014 restated[(1)]
Gains (losses) on disposals	-917	-159
Provision for impairment loss on non-current assets	-112	0
Restructuring costs and site closures	2,469	-9,423
Net additions to (reversals of) provisions for restructuring costs	-1,622	3,077
Other	-288	-3,035
TOTAL	**-5,408**	**-9,540**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11 and IFRIC Interpretation 21.

"Other operating income and expenses" represent gross expenses of €5,408,000. They mainly comprise restructuring costs and provisions due to the continuation of the transformation plan (-€1,892,000), as well as closure expenses as a result of the Group's strategy to withdraw from loss-making sites (-€2,325,000).

For 2013/2014, this item represented an expense of €9,540,000, mainly comprising restructuring costs and provisions due to the continuation and strengthening of the transformation plan.

NOTE 32 Net financial income (expenses)

(in € thousands)	2014/2015	2013/2014 restated(1)
Gross borrowing costs	-20,100	-22,604
Income from cash and cash equivalents	525	726
NET BORROWINGS COSTS	**-19,575**	**-21,878**
Income from loans	977	1,197
Other financial income	2,546	227
Other financial expenses	-2,034	-1,684
Change in the fair value of the ORNANE derivative	1,150	3,579
OTHER FINANCIAL INCOME AND EXPENSES	**2,639**	**3,319**
TOTAL	**-16,936**	**-18,559**
Total financial expenses	*-22,136*	*-24,019*
Total financial income	*5,200*	*5,460*

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

Net financial expenses totalled €16,936,000 in 2014/2015, compared with €18,559,000 in 2013/2014.

They include non-cash financial income corresponding to a change in the fair value of the ORNANE derivative. This income amounted to €1,150,000 in 2014/2015, compared with €3,579,000 in 2013/2014.

In addition, net financial income at 30 September was negatively impacted by non-recurring expenses of €4,216,000 related to the early redemption of 96.5% of the OCÉANE bonds in February 2014.

Restated for these items, net recurring financial expenses totalled €18,086,000 at 30 September 2015, compared with €17,922,000 at 30 September 2014.

NOTE 33 Income tax and deferred tax

Breakdown of the tax expense

The Group's tax expense is based on a tax rate of 34.43% and does not therefore include the additional contribution which has applied to companies reporting revenue greater than €250 million since 2011.

This additional contribution had no impact on the Group's financial statements for 2014/2015, since the Group reported a taxable benefit of less than €1 million in France for the relevant period, which meant that no income tax expense was recognised.

(in € thousands)	**Financial year 2014/2015**	Financial year 2013/2014 restated(1)
Consolidated profit (loss) before tax	**-6,289**	**-20,778**
Untaxed income:		
Impact of losses carried forward and other temporary differences not recognised or exceeding thresholds	3,000	30,163
Use of recognized tax loss carryforwards	-6,326	-7,673
Recognised tax losses and temporary differences excluding profit (loss) for the year	0	-3,680
Intra-group transactions having a tax impact	4,252	2,002
Other	1,116	1,860
Taxable income (loss) at tax rate applicable in France	**-4,247**	**1,894**
Tax rate in France	*34.43%*	*34.43%*
Theoretical tax benefit at corporate tax rate applicable in France	**1,462**	**-652**
Differences on tax rates abroad(2)	-1,128	-447
CVAE	-4,312	-3,533
Other	-4,385	-1,003
GROUP TAX INCOME (EXPENSE)	**-8,363**	**-5,635**
of which tax payable (including CVAE)	-15,716	-7,160
of which deferred taxes	7,353	1,525

(1) Restated for the impact of the first-time adoption of IFRIC 21 and IFRS 11.
(2) Of which €(695,000) in Germany.

Tax losses for the year that were not activated due to their unlikely recovery within a reasonable time frame primarily relate to the tax group in France and certain Belgian entities.

Intra-group transactions having a tax impact mainly correspond to gains on intra-group disposals which are taxable but have no impact on the consolidated profit (loss) before tax.

Other non-taxable items amounted to €1,116,000 for 2014/2015 and mainly correspond to non-deductible financial expenses, as well as the change in the fair value of the ORNANE bond.

In addition, further to the rulings handed down in July 2013 by the Administrative Court, Pierre et Vacances SA obtained a favourable outcome to its dispute with the Tax Authorities relating to a tax inspection for the financial years 2003/2004, 2004/2005 and 2005/2006. Although the Tax Authorities launched an appeal against these decisions, in light of the ruling and the findings of the Reporting Judge (Rapporteur Public) and the advice of tax advisors, the Pierre & Vacances-Center Parcs Group does not anticipate any financial risk.

"Other items" included in taxes for 2014/2015 correspond primarily (€4,501,000) to the transactional agreement concluded between Center Parcs Europe NV and the Dutch tax administration. This agreement concerns the remuneration rate on receivables and debts of entities in the Center Parcs sub-group located in the Netherlands against those located abroad. In addition, Center Parcs Europe N.V. contests the section of the tax adjustment received in August 2015 concerning operating transfer prices. Under this framework, the Company requested recourse to a friendly procedure between the Dutch, Belgian and German tax administrations in order for each of these to give their opinion on the requests made by the Dutch tax administration. The Group, in agreement with the opinions of its tax advisors, does not expect any financial risk due to this procedure.

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

Within the same country, the majority of the Group's entities consolidate their taxable profit. The breakdown of the Group's deferred tax position by country therefore reflects the position of each tax consolidation subgroup.

(in € thousands)	30/09/2014 restated(1)	Change through profit or loss	Change through other comprehensive income or loss	30/09/2015
France	-1,998	7,489	118	5,609
The Netherlands	-18,033	-195	-536	-18,764
Belgium	-738	54	4	-680
Germany	196	171	0	367
Spain	271	231	0	502
Italy	175	0	0	175
Deferred taxes on temporary differences	**-20,127**	**7,750**	**-414**	**-12,791**
France	80,605	-337		80,268
Belgium	5,801	-39		5,762
Germany	4,488	-21		4,467
Spain	2,322			2,322
Deferred tax on losses carried forward	**93,216**	**-397**	**0**	**92,819**
TOTAL	**73,089**	**7,353**	**-414**	**80,028**
of which deferred tax assets	76,339			87,183
of which deferred tax liabilities	-3,250			-7,155

(1) The data have been restated for the first-time adoption of IFRS 11 and IFRIC Interpretation 21.

At 30 September 2015, the Group's net deferred tax position amounted to €80,028,000, -€12,791,000 of which represent temporary differences. This amount primarily includes a €21,468,000 deferred tax liability recognised in the Netherlands for the Center Parcs brand (estimated at €85,870,000).

Deferred taxes recognised with respect to tax losses at 30 September 2014 amounted to €92.8 million, including €80.3 million in respect of tourism and property development activities carried out by the Group in France.

Losses carried forward are only recognised as deferred tax assets when the business plan confirms that they will be used within a reasonable time frame. At 30 September 2015, a reasonable time frame is set at within six years.

The tax rules applicable at the reporting date, namely those approved at 30 September 2015, were used to calculate the amount of deferred taxes.

In addition, it should be noted that the amount of tax losses which may be used in France is subject to a ruling limiting the crediting of taxable losses to 50% of the profit beyond the first €1 million and in Germany, up to 60% of the profit beyond the first €1 million and in Spain, up to 50% of the profit for tax purposes.

Unused losses carried forward totalled €214.4 million. This relates the French tax consolidation group for an amount of €106.6 million.

NOTE 34 Earnings per share

Average number of shares

	Financial year 2014/2015	Financial year 2013/2014 restated[1]
Number of shares outstanding at 1 October	8,821,551	8,821,551
Number of shares issued during the financial year	0	0
Number of shares issued at the end of the period	**8,821,551**	**8,821,551**
Weighted average number of shares	8,446,565	8,446,523
Weighted average number of potential shares	8,727,950	8,709,747

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

Number of bonus shares (AGA), share subscription options (OSA) and share purchase options (OAA) granted by the Board of Directors:	Type	Exercise price *(in €)*	Financial year 2014/2015	Financial year 2013/2014
Granted on 28/05/2013 and outstanding	AGA	0	229,768	229,768
Granted on 03/09/2013 and outstanding	AGA	0	13,333	13,333
Granted on 02/12/2013 and outstanding	AGA	0	15,555	12,879
Granted on 26/05/2014 and outstanding	AGA	0	20,889	7,244
Granted on 02/12/2014 and outstanding	AGA	0	1,840	-
		-	281,385	263,224

Earnings per share

	Financial year 2014/2015	Financial year 2013/2014 restated[1]
Profit (loss) attributable to owners of the Company (in € thousands)	-11,604	-23,389
Weighted basic earnings (loss) per share, attributable to owners of the Company (in €)	-1,37	-2,77
Weighted diluted earnings (loss) per share, attributable to owners of the Company (in €)[2]	-1,37	-2,77

(1) The data have been restated for the impact of the first-time adoption of IFRIC 21.
(2) The conversion of potential ordinary shares into ordinary shares would decrease the net loss per share. Therefore, in accordance with IAS 33, diluted earnings (loss) per share is equal to basic earnings (loss) per share.

Other financial information

NOTE 35 Number of employees

For the last two financial years, the average annual number of employees (full-time equivalent) of Pierre & Vacances-Center Parcs Group companies that are fully consolidated stood as follows:

	Financial year 2014/2015	Financial year 2013/2014 (restated data)
Management	1,232	1,210
Supervisory staff and other employees	5,911	5,895
TOTAL	**7,193**	**7,105**

NOTE 36 Off-statement of financial position commitments

The collateral granted by the Group to secure its bank loans and reciprocal commitments are detailed respectively in Note 18 – Financial liabilities and Note 20 – Hedging financial instruments. They are therefore not included in the table below:

(in € thousands)	Maturities < 1 year	1 to 5 years	> 5 years	30/09/2015	30/09/2014 restated(1)
Rent commitments	317,688	1,076,960	889,941	2,284,589	2,221,365
Other commitments given	68,404	29,698	5,119	103,221	132,177
Commitments given	**386,092**	**1,106,658**	**895,060**	**2,387,810**	**2,353,542**
Completion guarantees	33,612	0	0	33,612	71,820
Other commitments received	3,353	115	46,915	50,383	52,295
Commitments received	**36,965**	**115**	**46,915**	**83,995**	**124,115**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

Commitments given

- When the land and buildings of the residences and villages operated by the Pierre & Vacances-Center Parcs Group's tourism operating companies are sold, a lease is signed with the new owners. At 30 September 2015, the rent remaining to be paid by the Group over the residual term of these leases amounted to €2,285 million. The present value of these rent commitments, discounted at a rate of 6.0%, is €1,745 million, of which €1,184 million has a maturity of five years or less.

Breakdown of rent commitments by business segment and maturity date at 30 September 2015:

(in € thousands)	30/09/2015	Maturities < 1 year	N+2	N+3	N+4	N+5	> N+5
Pierre & Vacances Tourisme Europe	661,922	131,991	112,188	98,584	82,556	72,012	164,591
Center Parcs Europe	1,622,667	185,698	179,608	182,614	180,587	168,811	725,350
TOTAL	**2,284,589**	**317,689**	**291,796**	**281,198**	**263,143**	**240,823**	**889,941**

Lease agreements for the Pierre & Vacances Tourisme Europe residences and villages entered into with private or institutional investors are usually signed for between 9 and 12 years with the option of renewal on expiry. The leases signed include a fixed rent payment. In certain cases, they can include, in addition to the fixed portion, a variable portion that remains marginal. These rents are subject to indexation clauses corresponding in France to the rent reference index, and in Italy and Spain to the consumer price index applicable in the respective country.

The agreements to lease the land and buildings of the 24 villages operated under the Center Parcs and Sunparks brands are generally signed for periods of between 11.5 and 15 years, with the option of renewal. The rents are primarily comprised of a fixed element. They are subject to fixed (2.9%) or variable indexation reflecting inflation or the rent reference index applicable in the country in which the assets are located, with floor and ceiling rates usually between 1.75% and 3.75%, depending on the agreement.

- At 30 September 2015 other commitments given mainly comprised:
  - commitments given under the IT solutions and material outsourcing contract, totalling €35,775,000;
  - a €30,000,000 guarantee issued by Pierre et Vacances SA to Crédit Agricole Corporate et Investment Bank, on behalf of SNC Presqu'île de la Touques for the property development programme in Deauville;
  - a €11,363,000 guarantee issued by Pierre et Vacances SA to the town of Deauville, on behalf of SNC Presqu'île de la Touques for the acquisition of a property complex;
  - a surety bond of €2,554,000 issued by Pierre et Vacances SA to Bellin, on behalf of SNC Bois de la Mothe Chandenier Cottages for the payment of exterior work contracts for Center Parcs in the Vienne region;
  - a €1,925,000 guarantee issued by Pierre et Vacances SA to Bellin, on behalf of SNC Bois de la Mothe Chandenier Équipements for the payment of exterior work contracts for Center Parcs in the Vienne region;
  - a €14,926,000 parent company guarantee issued by Pierre et Vacances SA on behalf of certain Adagio joint ventures to cover the lease commitments entered into by said joint ventures. These commitments are also mentioned in Note 39 on related party transactions.

Commitments received

Completion guarantees are issued by banks with respect to property development programmes. The change in completion guarantees at 30 September 2015 resulted from:

- new guarantees issued during the year for a total amount of €12,629,000. The main programmes are Les Senioriales – Emerainville (€5,307,000); Les Senioriales – Medis (€5,086,000); Les Senioriales – Castanet (€1,506,000);
- a total drop of €50,837,000 arising from the partial decrease in the amount, and end of, several guarantees during the year relating mainly to Bois de la Mothe Chandenier Équipements (-€19,256,000), Bois de la Mothe Chandenier Cottages (-€10,778,000), Flaine (-€7,101,000), Colmar Loisirs (-€4,595,000), Nancy (-€2,386,000) and Les Senioriales – Boulou (-€2,074,000).

Other commitments received mainly correspond to commitments given by banks on behalf of the property development and tourism companies. These commitments enable the latter to obtain the relevant licences to conduct their property management, business and property trading and travel agency activities so that they can carry out their regulated business. At 30 September 2015, these commitments totalled €44,701,000.

NOTE 37 Remuneration of executive management and directors

Attendance fees paid to members of the Board of Directors in 2015 in respect of financial year 2014/2015 amounted to €86,000 compared to €72,000 for 2013/2014.

For the years ended 30 September 2015 and 30 September 2014, no salary (including benefits of any kind) was paid to a corporate officer directly by Pierre et Vacances SA or by any of the Pierre & Vacances-Center Parcs Group companies controlled as defined in Article L. 233-16 of the French Commercial Code.

However, Société d'Investissement Touristique et Immobilier (a company indirectly owned by the Chairman, founder and majority shareholder of Pierre et Vacances SA), as an asset management company, invoiced for fees for the services rendered by Gérard Brémond, Martine Balouka, Thierry Hellin and Patricia Damerval. The fees invoiced by S.I.T.I. were calculated on the basis of direct costs (remuneration paid + employer's contributions + other direct costs: travel, premises, secretarial costs) plus a 5% margin and calculated prorata for the time spent by each individual on managing the business of Pierre & Vacances-Center Parcs Group companies.

Since these people are on the Group Executive Management Committee, their remuneration is included in the table below:

(in €)	2014/2015	2013/2014
Fixed remuneration(1)	1,647,466	1,632,015
Variable remuneration(2)	557,210	635,290
Post-employment benefits(3)	21,719	19,647
Share-based remuneration(4)	133,802	373,770
TOTAL	**2,360,197**	**2,660,722**

(1) Amount paid including reinstatement of the benefit in kind involving the availability of a company car.
(2) Paid in the financial year following the year for which it is granted.
(3) This amount corresponds to the expense recognised during the financial year.
(4) Represents the annual share-based remuneration expense on grants of share options and bonus shares (theoretical measurement on the basis of the of Pierre et Vacances shares at the date of grant). The €82,172 relating to options is for instruments which will only vest from 4 March 2015, and for which the value can be considered to be zero due to the drop in the price of the Pierre et Vacances share well below the exercise price (€63.93).

For each of them, the variable bonus is determined based on the financial performance of the Pierre & Vacances-Center Parcs Group and the achievement of personal objectives.

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NOTE 38 Parent company

The Pierre & Vacances-Center Parcs Group's financial statements are fully consolidated into those of Société d'Investissement Touristique & Immobilier (S.I.T.I.).

NOTE 39 Related party transactions

The Group's related parties consist of:

- members of the administrative and management bodies: their remuneration and benefits are detailed in Note 37;
- the parent company of Pierre et Vacances (Société d'Investissement Touristique et Immobilier) and its subsidiaries which are not included in the Group's scope of consolidation;
- joint ventures consolidated using the equity method:
  - Entities comprising the Villages Nature Group,
  - Adagio Group entities,
  - Various other entities, including SAS Presqu'Ile de la Touques, SDRT Immo (property development company owned by Pierre et Vacances Maroc), Les Senioriales Ville de Castanet, Les Senioriales Ville de Tourcoing, SCI Montrouge Développement, Nuit & Jour Projections, Part House, SNC N.L.D., SNC Caen Meslin, SCCV Nantes Russeil and La Financière Saint-Hubert SARL.

The main transactions with related companies include:

- rent and administrative staff invoicing;
- the purchase of support and consulting services under the management agreement;
- the apartment lease contracts operated by the subsidiary PV Résidences & Resorts France.

These transactions are completed under normal market conditions.

Related party transactions break down as follows:

(in € thousands)	30/09/2015	30/09/2014 restated(1)
Revenue	5,860	11,826
Purchases and external services	-21,607	-20,612
Other operating income and expenses on ordinary activities	249	2,113
Net financial income (expenses)	368	-477

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

Receivables and liabilities included in the statement of financial position linked to related parties:

(in € thousands)	30/09/2015	30/09/2014 restated[(1)]
Trade receivables	68,342	82,294
Other current assets	34,392	41,781
Trade payables	13,057	10,575
Other financial liabilities	22,309	26,294

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.

Off -statement of financial position commitments linked to related parties:

(in € thousands)	30/09/2015	30/09/2014 restated[(1)]
Guarantees and pledges	3,535	4,989
Rent commitments[(2)]	22,909	28,803
Commitments given	**26,444**	**33,792**
Guarantees and pledges	600	600
Completion guarantees	18,398	18,398
Commitments received	**18,998**	**18,998**

(1) The data have been restated for the impact of the first-time adoption of IFRS 11.
(2) These commitments are covered by a €14,926,000 parent company guarantee granted by PV SA at 30 September 2015, compared with €15,768,000 at 30 September 2014 (See Note 36 – Off-statement of financial position commitments).

NOTE 40 Events after the reporting period

Development partnership agreements in China

- In the 2014/2015 financial year, the Group signed memoranda of understandings with Beijing Capital Land on 4 December 2014 and with the HNA Tourism Group on 2 July 2015 to establish long-term partnerships to roll out the Pierre & Vacances-Center Parcs concept in China.
- On 6 November 2015, the HNA Tourism Group and the Pierre & Vacances-Center Parcs Group signed strategic partnership agreements as part of the extension of the agreement in principle signed on 2 July 2015 in Toulouse.

These agreements are in two parts: the development of Pierre & Vacances-Center Parcs concepts in China and the investment of the HNA Tourism Group in Pierre et Vacances S.A.

Development in China

The two Groups aim to develop a leading platform for the design and operation of holiday destinations inspired by Center Parcs et Pierre et Vacances concepts. With the preliminary surveys well underway, these projects are located close to the major cities of Shanghai, Beijing, Chengdu and Fuzhou. Looking ahead to the 2022 Beijing Winter Olympics, the Groups will help develop mountain resorts in China similar to the Avoriaz resort.

These various projects will be implemented *via* a Joint Venture, 60%-owned by the HNA Tourism Group and 40%-owned by the Pierre & Vacances-Center Parcs Group. This Joint Venture shall act as the vehicle for the tourism and property development services that will be provided for investors in each project. It will have the exclusive right to develop Center Parcs-inspired concepts in China.

The HNA Tourism Group agrees to mobilise funding for the first five developments over the next three years, an investment estimated at €1 billion. The provisional completion rate is two per year, with funding provided by various institutional investors.

The HNA Tourism Group will also be actively involved in acquiring land and obtaining administrative authorisations.

The Pierre & Vacances-Center Parcs Group will lend the Joint Venture its property development and tourism expertise by managing:

- the scheduling, architectural design and landscaping for each project;
- property sales to private individuals;
- management of tourism activities – distribution and operation – of the completed projects.

In addition, the HNA Tourism Group – *via* its travel agent subsidiary, the HNA CAISSA Travel Group – will drive the sale of Pierre et Vacances and Center Parcs European destinations to Chinese customers.

Equity partnership

To strengthen this strategic partnership, agreements between the two Groups include the acquisition of an equity interest in Pierre et Vacances S.A. (PVSA) by the HNA Tourism Group.

The HNA Tourism Group will subscribe for a reserved capital increase accounting for 10.00% of PVSA post-transaction equity, at a price of €25.18 per share, *i.e.* a 3% premium on the volume-weighted average share price for the 20 trading days to 6 November 2015. Once this capital increase is complete, the equity interest and voting rights of SITI (the holding company controlled by Gérard Bremond) in PVSA will be 39.83% and 57.99% respectively.

Under this partnership, SITI and the HNA Tourism Group signed a joint shareholders' agreement which particularly specifies that:

- the HNA Tourism Group is subject to a lock-up and standstill agreement;
- the HNA Tourism Group has two representatives on the PVSA Board of Directors;
- SITI retains majority representation on the PVSA Board of Directors.

Agreement on the financing of the sixth German Center Parcs located in the Allgau region

In November 2015, Pierre & Vacances-Center Parcs Group and Eurosic signed an agreement concerning financing of the sixth German Center Parcs located in the Allgau region in Bade-Wurtemberg.

Eurosic is to acquire the future domain located in forestland of 184 hectares, made up of 750 cottages and recreational facilities. The project represents an investment of €255 million before tax.

The domain's facilities and accommodation are to be leased to an operating company belonging to the Pierre & Vacances-Center Parcs Group under the framework of a long-term lease.

The domain is due to open in 2018.

4.2 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 30 September 2015

To the Shareholders,

In compliance with the assignment entrusted to us by your Shareholders' Ordinary Meeting, we hereby report to you, for the year ended 30 September 2015, on:

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

The consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the annual financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and financial position of the Group, as well as of the results of its operations, in accordance with IFRS accounting standards as adopted in the European Union.

Without qualifying the opinion expressed above, we draw your attention to Notes 1.2 and 1.3 to the consolidated financial statements, which detail the impacts of the adoption of the new standards that your Company implemented as of 1 October 2014, notably application of standards IFRS 10 (Consolidated Financial Statements), IFRS 11 (Partnerships) and IFRS 12 (Disclosure of Interests in Other Entities).

II. Justification of our assessments

In accordance with the provisions of Article L. 823-9 of the French Commercial Code on the justification of our assessments, please note the following items:

As indicated in Note 1.5 to the consolidated financial statements, these estimates are used in particular to calculate the recoverable amount of goodwill, intangible assets with indefinite useful lives, deferred tax assets and the classification of lease agreements. Notes 1.11, 1.12, 1.14, 1.16, 4, 5, 6 and 7 to the consolidated financial statements describe the accounting methods and means of valuing goodwill, property, plant and equipment and intangible assets and stocks in progress.

Our work consisted of examining the reasonable nature of the assumptions on which the main estimates and valuations are based, to verify the coherence of data used and to review the calculations made by your Group. It also consisted of verifying the appropriate nature of the accounting methods applied and the information supplied in the Appendix notes.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verification

In accordance with French law, we have also verified, in accordance with professional standards applicable in France, the information presented in the Group's management report.

We have no matters to report as to their fair presentation and consistency with the consolidated financial statements.

Paris and Paris-La Défense, 2 December 2015

The Statutory Auditors

AACE ÎLE-DE-FRANCE French member of Grant Thornton International		ERNST & YOUNG et Autres
Virginie Palethorpe	Michel Riguelle	Bruno Bizet

4.3 PARENT COMPANY FINANCIAL STATEMENTS

4.3.1 INCOME STATEMENT

Line items *(in € thousands)*	Notes	2014/2015	2013/2014
Sales of services		16,482	12,708
Net revenue		**16,482**	**12,708**
Capitalised production		0	0
Operating subsidy		0	0
Reinvoiced expenses and reversals of write-offs and provisions	15	8,557	17,495
Other income		629	251
Operating profit (loss)		**25,668**	**30,454**
Other purchases and external expenses		27,016	26,279
Income and other taxes		643	661
Wages and salaries		0	0
Social security expenses		983	919
Depreciation and amortisation		1,642	2,233
Provisions for non-current assets		0	0
Provisions for current assets		0	108
Provisions for risks and charges		0	0
Other operating expenses		343	303
Operating expenses		**30,627**	**30,503**
OPERATING PROFIT (LOSS)	**12 & 15**	**-4,959**	**-49**
Financial income from associates and other long-term equity investments		37,025	55,085
Income from other securities and non-current assets loans		0	0
Other interest income		4,965	6,416
Reinvoiced expenses and reversals of provisions	15	39,577	5,090
Foreign exchange gains		0	0
Net gain on disposals of marketable securities		63	77
Financial income		**81,630**	**66,668**
Amortisation and provisions on financial assets		2,633	29,703
Interest expense		12,322	11,249
Net (loss) on disposals of marketable securities		68	83
Other financial expenses		0	0
Financial expenses		**15,023**	**41,035**
NET FINANCIAL INCOME (EXPENSES)	**13 & 15**	**66,607**	**25,633**
PROFIT (LOSS) FROM ORDINARY ACTIVITIES, BEFORE TAX		**61,648**	**25,584**

Line items *(in € thousands)*	Notes	2014/2015	2013/2014
Non-recurring income from management transactions		0	566
Non-recurring income from capital transactions		4,825	849
Reinvoiced expenses and reversals of provisions	15	307	311
Non-recurring income		**5,132**	**1,726**
Non-recurring expenses on management transactions		27	5,846
Non-recurring expenses on capital transactions		5,155	859
Non-recurring depreciation, amortisation and impairment		0	307
Non-recurring expenses		**5,182**	**7,012**
NON-RECURRING PROFIT (LOSS)	**14 & 15**	**-50**	**-5,286**
Employee profit-sharing			
Income tax	16	-11,462	-10,011
TOTAL INCOME		**112,430**	**98,848**
TOTAL EXPENSES		**39,370**	**68,539**
PROFIT (LOSS) FOR THE YEAR		**73,060**	**30,309**

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4.3.2 BALANCE SHEET

ASSETS

Line items *(in € thousands)*	Notes	Gross Amount	Amort., Deprec. & Prov.	Net 30/09/2015	Net 30/09/2014
Intangible assets	**1**	**20,697**	**19,870**	**827**	**772**
Property, plant and equipment	**1**				
Other non-current assets		7,293	7,017	276	376
Financial assets	**1, 2, 4**				
Other long-term equity investments		554,973	68,795	486,178	448,950
Loans and other financial assets		2,220	0	2,220	115
NON-CURRENT ASSETS		**585,183**	**95,682**	**489,501**	**450,213**
Advances and prepayments to suppliers		419	0	419	21
Trade receivables	4 & 5	12,077	189	11,888	6,028
Other receivables	3, 4, 5	591,337	20,047	571,290	550,598
Marketable securities	6	11,554	0	11,554	11,644
Cash and cash equivalents	6	8,266	0	8,266	160
Prepaid expenses	4 & 10	2,756	0	2,756	2,762
CURRENT ASSETS		**626,409**	**20,236**	**606,173**	**571,213**
Deferred expenses	11	5,314	0	5,314	6,757
GRAND TOTAL		**1,216,906**	**115,918**	**1,100,988**	**1,028,183**

LIABILITIES

Line items *(in € thousands)*	Notes	30/09/2015	30/09/2014
Issued capital		88,215	88,215
Additional paid-in capital		8,691	8,691
Statutory reserve		8,822	8,822
Other reserves		2,308	2,308
Retained earnings		495,508	465,198
Profit (loss) for the year		**73,060**	**30,309**
EQUITY	**7**	**676,604**	**603,543**
Provisions for risks			
Provisions for charges		4,176	3,775
PROVISIONS FOR RISKS AND CHARGES	**2**	**4,176**	**3,775**
Financial liabilities			
Outstanding bond issue	4	119,019	119,019
Amounts due to credit institutions	4	33,746	43,297
Sundry loans and other borrowings	4 & 8	238,768	243,078
Operating liabilities			
Advances and deposits on orders in progress	4 & 5	33	0
Trade payables	4 & 5	14,528	4,251
Tax and social security liabilities	4	48	74
Sundry liabilities			
Amounts due to suppliers of non-current assets	4	0	0
Other liabilities	4 & 9	14,066	11,146
Accruals			
Deferred income	4 & 10	0	0
TOTAL LIABILITIES		**420,208**	**420,865**
GRAND TOTAL		**1,100,988**	**1,028,183**

PROPOSED ALLOCATION OF PROFIT AND DISTRIBUTION OF DIVIDENDS FOR THE YEAR

Net of all expenses, taxes, depreciation and amortisation, the parent company financial statements show an accounting profit of €73,059,765.97.

It is proposed that this profit be allocated entirely to retained earnings.

Following this allocation of profit, equity will break down as follows:

◆ share capital (8,821,551 x €10)	€88.215,510.00
◆ issue premiums	€8,635,020.43
◆ merger premiums	€55,912.36
◆ statutory reserve	€8,821,551.00
◆ other reserves	€2,308,431.46
◆ retained earnings	€568,567,641.28
Total	**€676,604,066.53**

4.3.3 NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

Total assets before allocation reported in the statement of financial position at 30 September 2015 (in €):	1,100,988,270.99
Profit for the year reported in the income statement (in €):	73,059,765.97

The amounts presented in these notes are in € thousands.

The reporting period lasts for 12 months, from 1 October 2014 to 30 September 2015.

These annual financial statements were approved by the Board of Directors on 24 November 2015.

HIGHLIGHTS FOR 2014/2015

Development of the tourism offering

Opening of Center Parcs at Domaine des Bois aux Daims (Vienne region)

On 29 June 2015, the Pierre & Vacances-Center Parcs Group opened its 5th Center Parcs in France in the Vienne region. The Domaine du Bois aux Daims, which covers 264 hectares with a "focus on wildlife", comprises 800 cottages, 80% of which were sold as a block to prestigious institutional investors. The occupancy rate has been close to 100% since opening.

Opening of new residences

The Group's tourism offering expanded in the 2014/2015 financial year, with the opening of:

- 4 new Adagio access residences (Massy, Dijon, Nancy and Munich in Germany);
- 2 new Adagio aparthotels in La Défense Puteaux and in Birmingham (UK);
- 1 new 5-star Pierre & Vacances premium residence in the Flaine ski resort.

Withdrawal of residences after expiry of leases

In the 2014/2015 financial year, the Group withdrew from a dozen or so loss-making Pierre & Vacances and Maeva residences (mainly in seaside resorts) after their leases had expired, and from a dozen or so Adagio access residences/residential parks.

Center Parcs development projects in France

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

Plans to set up a Center Parcs village in the commune of Roybon in Isère met with opposition from certain associations.

An appeal was launched in November 2014 against the prefectural orders issued in October 2014, authorising the project under the Water Act and the Protected Species Derogation. On 23 December 2014, the Administrative Court of Grenoble ruled on their emergency suspension proceedings: only the order related to the Water Act had been suspended which had led the Group to appeal to the French Council of State.

On 18 June 2015, the French Council of State overturned the emergency order issued by the Administrative Court of Grenoble of 23 December on the suspension of the works under the Water Act.

On 16 July 2015, the Administrative Court of Grenoble confirmed the legality of the "protected species act" derogation, which led opponents of the scheme to launch an appeal, and overturned the order relating to the Water Act solely on the ground of the location of compensatory measures.

The Group decided to appeal this decision, spurred on by the economic and environmental merits of the project and confident of the final judicial outcome in light of the French Council of State decision of 18 June 2015. At the same time as this appeal, the Group filed an application with the Administrative Court of Appeal of Lyon for a stay of judgement pending a final decision on the case.

It is expected that this administrative and legal matter shall be resolved before the end of 2016.

Development project for midsize Center Parcs

On 28 March 2014, the Group announced a project to develop two new-concept Center Parcs with a complex of tourist accommodation with 400 cottages in the Jura and Saône-et-Loire. They represent a €170 million investment (before tax) for each area. The facilities are likely to be funded by a French semi-public company (société d'économie mixte – SEM) with the majority of its capital likely to be held by the relevant French local authorities. The cottages would be sold to private and institutional investors.

The first agreements have been entered into with the French local authorities and the first environmental and planning surveys begun. A public debate, an overview of which was presented on 3 November last, also took place between 20 April 2015 and 4 September 2015.

In addition, another project is being studied in Lot-et-Garonne. The Lot-et-Garonne Departmental Council and the Aquitaine Region approved this project by agreeing to establish a mixed-enterprise company to acquire the central facilities. The initial environmental feasibility studies were therefore able to begin.

These villages are scheduled to open from 2019 onwards.

ACCOUNTING POLICIES

Accounting principles and methods – The annual financial statements are presented in accordance with the provisions of the 2014 French General Chart of Accounts (Plan comptable général) (Regulation 2014-03 of 5 June 2014 of the French Accounting Standards Authority, or Autorité des Normes Comptables, approved by ministerial order of 8 September 2014).

Generally accepted accounting principles have been applied, including the principle of prudence, in accordance with the following basic assumptions:

- going concern;
- consistency of accounting methods from one financial year to the next;
- independence of financial years;

and in accordance with professional standards.

The main measurement methods relate to the following:

- property, plant and equipment and intangible assets. These are measured at their acquisition cost, at their contribution value or at their construction cost.

With the exception of goodwill, other property, plant and equipment and intangible assets are depreciated or amortised using the straight-line method, over their economic lives established as follows:

General installations	10 years
Office furniture and equipment	3 to 10 years

The depreciation or amortisation thus calculated is included in operating profit or loss.

- Investments in associates and other long-term equity investments. These are valued at their purchase price or at their contribution value.

A provision for impairment losses is recognised if this value is greater than the value in use determined at the reporting date taking into account the proportion of equity, the potential profitability or, if applicable, the stock market prices.

- Loans and other financial assets. This item essentially includes the amount of deposits paid to our partners.
- Trade receivables. A provision is made for risk of non-recovery of receivables when a debtor shows a risk of insolvency or disputes the basis of receivables or when payments are unusually delayed. The provisions are based on an individual assessment of this risk of non-recovery.
- Other receivables. These include, in particular, tax receivables, VAT, Group current accounts, sundry receivables and accrued income.
- Marketable securities. These are recognised at their acquisition cost. They are subsequently measured at the lower of their acquisition cost and their market value.
- Pierre et Vacances treasury shares are reported:
  - as assets on the statement of financial position under "Marketable securities", when these shares are explicitly reserved, on acquisition, either to be granted to employees or to stimulate the market under the liquidity agreement; or
  - otherwise as long-term equity investments.
- Prepaid expenses and deferred income. This item principally comprises operating income and expenses.
- Deferred expenses. Such expenses correspond to debt issuance costs.
- Inclusion of subsidiary profit (loss): in accordance with statutory provisions, profit or loss of subsidiaries in the form of a partnership exempt from corporate income tax are included in the same year.

ADDITIONAL INFORMATION ON THE STATEMENT OF FINANCIAL POSITION AND INCOME STATEMENT

NOTE 1 Non-current assets

Tangible and intangible assets	30/09/2014	Acquisitions	Disposals and retirements	30/09/2015
Intangible assets				
Brand names, concessions, patents	1,311	-	364	947
Businesses goodwill	19,470	-	-	19,470
Other intangible assets	-	-	-	-
Intangible assets in progress	55	382	157	280
TOTAL INTANGIBLE ASSETS	**20,836**	**382**	**521**	**20,697**
Property, plant and equipment				
Miscellaneous fixtures	4,573	-	45	4,528
Office and computer equipment, and furniture	2,771	-	6	2,765
TOTAL PROPERTY, PLANT AND EQUIPMENT	**7,344**	**-**	**51**	**7,293**
Financial assets				
Long-term equity investments and related loans and receivables	553,567	1,444	38	554,973
Loans and other financial assets	115	2,105	-	2,220
TOTAL FINANCIAL ASSETS	**553,682**	**3,549**	**38**	**557,193**
TOTAL GROSS TANGIBLE AND INTANGIBLE ASSETS	**581,862**	**3,931**	**610**	**585,183**

Depreciation, amortisation and impairment	30/09/2014	Increases	Reductions	30/09/2015
Brand names, concessions, patents	594	170	364	400
Businesses goodwill	19,470	-	-	19,470
Other intangible assets	-	-	-	-
TOTAL INTANGIBLE ASSETS	**20,064**	**170**	**364**	**19,870**
Property, plant and equipment				
Miscellaneous fixtures	4,228	65	30	4,263
Office and computer equipment, and furniture	2,740	20	6	2,754
TOTAL PROPERTY, PLANT AND EQUIPMENT	**6,968**	**85**	**36**	**7,017**
Financial assets				
Long-term equity investments and related loans and receivables	104,617	1,920	37,742	68,795
Loans and other financial assets	-	-	-	-
TOTAL FINANCIAL ASSETS	**104,617**	**1,920**	**37,742**	**68,795**
TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT	**131,649**	**2,175**	**38,142**	**95,682**
TOTAL NET TANGIBLE AND INTANGIBLE ASSETS	**450,213**	**1,756**	**-37,532**	**489,501**

The net increase in the value of tangible and intangible assets (€39,288,000) in the year was mainly due to:

- the reversal of the provision for impairment of the equity interest in the subsidiary PV Tourisme Europe for €37,742,000, thereby reducing the net value of the shares to €356,363,000. On the one hand, this provision write-back includes accounting results generated in 2014/2015 by the Pierre & Vacances and Center Parcs tourism activities and on the other hand includes the impact of the update to the discount rate retained on 30 September 2015 (rate of 9.0% compared with 9.5% on 30 September 2014) to calculate the value in use determined by discounted future net cash flows.

  For caution's sake and pending confirmation of an improvement in tourism performances at Pierre & Vacances and Center Parcs in 2015/2016, this €37,742,000 provision write-back does not include the positive effects of the update of the business plan on 30 September 2015;
- a €1,438,000 capital increase of the subsidiary Pierre & Vacances Maroc;
- the provision for impairment of investments in associates and other long-term equity investments of the subsidiary PV Maroc for €1,902,000, thereby reducing the net value of the shares from €4,159,000 to €2,257,000, in view of developments linked to projects in Morocco;
- the €2 million deposit paid to an external partner in connection with the renovation of Port Zelande.

NOTE 2 Provisions

	30/09/2014	Increases	Reductions used	Reductions not used	30/09/2015
Provisions for risks and charges	3,775	712	311	-	4,176
Provisions for impairment losses					
Goodwill	*19,470*	-	-	-	*19,470*
Brand names, concessions, patents	*307*		*307*	-	-
Investments in associates and other long-term equity investments	*104,617*	*1,920*	-	*37,742*	*68,795*
Trade receivables	*298*	-	*109*	-	*189*
Current accounts	*21,412*	-	-	*1,365*	*20,047*
GRAND TOTAL	**149,879**	**2,632**	**727**	**39,107**	**112,677**

At 30 September 2015, provisions consisted of the following:

Provisions for risks and charges correspond to provisions covering subsidiaries' net negative positions:

- a total of €3,339,000 for Orion SAS;
- a total of €712,000 for Support Services BV;
- €125,000 for Part House;

Provisions for impairment losses on goodwill from internal restructuring totalling €19,470,000;

Provisions for impairment losses on investments in associates and other long-term equity investments relate to the following:

- €65,767,000 for PVT Europe;
- €1,902,000 for Pierre & Vacances Maroc;
- €1,055,000 for Part House SRL;
- €38,000 for Orion SAS;
- €18,000 for Support Services BV;
- €15,000 for Pierre & Vacances FI SNC.

The €37,742,000 reversal relating to PVT Europe includes accounting results generated in 2014/2015 by the Pierre & Vacances and Center Parcs tourism activities and on the other hand includes the impact of the update to the discount rate retained on 30 September 2015 (rate of 9.0% compared with 9.5% on 30 September 2014) to calculate the value in use determined by discounted future net cash flows.

Provisions for impairment losses on other assets correspond to:

- €189,000 for trade receivables;
- impairment losses on the current accounts of the subsidiaries Pierre & Vacances FI SNC for €19,755,000 and Part House for €292,000.

NOTE 3 Other receivables

	30/09/2015	30/09/2014
CURRENT ACCOUNTS	**567,585**	**556,340**
Pierre & Vacances FI SNC	*555,236*	*521,878*
Adagio SAS	*6,336*	*7,841*
Pierre et Vacances Maroc	*5,069*	*5,636*
Village Nature Val d'Europe	*652*	*14,180*
Part House SRL	*292*	*292*
Entwicklungsgesellschaft. Ferienhauspark Bostalsee GMBH	*-*	*6,513*
Miscellaneous current accounts	*-*	*-*
STATE AND OTHER PUBLIC AUTHORITIES	**14,036**	**8,390**
OTHER RECEIVABLES AND MISCELLANEOUS ACCOUNTS IN DEBIT	**9,716**	**7,280**
TOTAL	**591,337**	**572,010**

Current-account receivables mainly consist of the amount due to Pierre et Vacances FI SNC – a subsidiary of Pierre et Vacances SA – responsible for central cash management for all Group subsidiaries.

Amounts due from the State and other public authorities primarily correspond to:

- the VAT credit of €5,898,000 accrued at 30 September 2015 for the VAT group (versus €4,089,000 at the previous year-end);
- the Competitiveness and Employment Tax Credit (CICE) of €4,576,000 accrued by the company as head of the tax consolidation group (versus €3,046,000 at the previous year-end);
- input VAT of €1,946,000 (versus €544,000 at the previous year-end);
- withholding tax of €948,000 to be repaid by the German tax authorities on dividends received from the foreign subsidiary Entwicklungsgesellschaft Ferienhauspark Bostalsee GmbH;
- family tax credits of €571,000.

The "Other receivables" item primarily relates to sums owed to Pierre et Vacances SA by subsidiaries:

- €5,642,000 in income tax in its capacity as head of the consolidated tax group, compared with €2,989,000 for the previous year;
- €3,361,000 in consolidated VAT for September 2015.

NOTE 4 Summary of maturities of receivables and liabilities

		Due date	
Receivables	Amount	Less than 1 year	More than 1 year
Other financial assets	2,220	2,100	120
Advances and prepayments to suppliers	419	419	
Trade receivables	12,077	12,077	
State and other public authorities	14,036	14,036	
Group and associates	567,585	567,585	
Other receivables	9,716	9,716	
Accruals	2,756	2,756	
	608,809	**608,689**	**120**

In its statement of financial position at 30 September 2015, Pierre et Vacances SA discloses an amount due from the State in respect of the VAT credit for September 2015 for the consolidated VAT group totalling €5,898,000. This represents the net balance of output VAT of €3,361,000 and input VAT of €9,842,000 for the VAT group headed by Pierre et Vacances SA.

The following companies belonged to the consolidated VAT group at 30 September 2015:

- Pierre et Vacances SA;
- PV-CP Distribution SA;
- Sogire SA;
- Société de Gestion de Mandats SARL;
- Club Hôtel Multivacances SAS;
- Club Hôtel SARL;
- SGRT SARL;
- PV Résidences et Resorts France SAS;
- Center Parcs Resorts France SAS;
- Pierre et Vacances Investissement XXIV SAS;
- PV-CP Gestion Exploitation SAS;
- Orion SAS;
- Pierre et Vacances Senioriales Programmes Immobiliers SAS;
- Société d'Exploitation Touristique Pierre et Vacances Guadeloupe;
- Société d'Exploitation Touristique Pierre et Vacances Martinique;
- Pierre et Vacances Marques SAS;
- Commerces Patrimoine Cap Esterel SNC;
- Pierre et Vacances Esterel Développement SAS;
- Pierre et Vacances Investissement XXXXIII SAS;
- Pierre et Vacances Investissement XXXVIII SAS;
- PV Senioriales Gestion Immobilière SAS, formerly Pierre et Vacances Investissement XXXXV SAS;
- Pierre et Vacances Investissement XXXXVI SAS;
- Pierre et Vacances Investissement XXXXVII SAS;
- Domaine du Lac de l'Ailette SNC;
- Société Hôtelière de l'Anse à la Barque SNC;
- PV-CP City SAS;
- PV Prog 30 SNC SNC LE ROUSSET EQUIPEMENT;
- PV Prog 44 SNC SNC POLIGNY COTTAGES;
- PV Prog 45 SNC SNC POLIGNY EQUIPEMENTS;
- PV Prog 46 SNC SNC SUD OUEST COTTAGES;
- PV Prog 47 SNC SNC SUD OUEST EQUIPEMENTS;
- PV Prog 48 SNC SNC LILLE LOISIRS;
- PV Prog 49 SNC;
- PV-CP Holding Exploitation SAS;
- PV Rénovation Tourisme SAS.

		Due date		
Total liabilities	Amount	Less than 1 year	1 to 5 years	More than 5 years
Outstanding bond issue	119,019	4,019	115,000	
Amounts due to credit institutions	33,746	11,246	22,500	
Sundry loans and long-term borrowings	238,768	238,342		426
Advances and deposits on orders in progress	33	33		
Trade payables	14,528	14,528		
Tax and social security liabilities	48	48		
Other liabilities	14,066	14,066		
	420,208	**282,282**	**137,500**	**426**

At 30 September 2015, the outstanding bond issue corresponds to:

- the ORNANE-type bond issued on 4 February 2014 with a principal amount of €115,000,000 and maturing on 1 October 2019. Bonds redeemable in cash and new or existing shares (ORNANE) are convertible at any time by delivery of a new or existing share. They also give the issuer the option to make a full or partial payment in cash when delivering the share. At 30 September 2015, the outstanding balance was €115,000;
- the residual balance of the OCÉANE-type bond issued on 2 February 2011 with an original principal amount of €115,000,000, maturing on 1 October 2015 and convertible at any time by the exchange of one new or existing share for each OCÉANE bond. At 30 September 2015, the outstanding balance was €4,019,000. In February 2014, Pierre et Vacances SA redeemed 1,454,344 OCÉANE bonds, or 96.5% of all OCÉANE bonds outstanding at the time.

At 30 September 2015, amounts due to credit institutions consisted of:

- the principal amount outstanding (€31,500,000) on the Corporate loan following the renewal of the syndicated credit due in June 2015. As part of the refinancing of the Corporate loan in February 2014, the loan maturity was extended by four years, with the final payment scheduled for 19 February 2019.

To manage the risk associated with interest rate fluctuations on variable rate borrowings, Pierre et Vacances SA has set up interest rate swaps. Thus, swap contracts have been entered into by Pierre et Vacances SA to hedge variable rate loans taken out for the purposes of financing the Group's Corporate loan. The characteristics of all of these hedging contracts are shown in Note 19 "Off-statement of financial position commitments".

None of Pierre et Vacances SA's bank borrowings are based on its or the Group's debt rating. Amounts due to credit institutions include contractual clauses relating to the consolidated financial position of the Pierre & Vacances-Center Parcs Group. These ratios are adjusted to the repayment profile for these loans. The level and definition thereof have been fixed in consultation with the lenders on the basis of forecasts. Compliance with these ratios is assessed only once a year at the reporting date. Failure to comply with these ratios authorises the lenders to call in some or all of the debt early. These credit lines are also all provided with the usual legal covenants: "negative pledge", "pari passu" and "cross default".

NOTE 5 Accrued income and expenses

Accrued income	30/09/2015	30/09/2014
Customers	2,963	48
Withholding tax on foreign dividends received	948	-
Suppliers	321	-
Accrued competitiveness and employment tax credit (CICE) for the year	88	75
Interest accrued	-	626
Other	-	2
	4,320	**751**

Accrued expenses	30/09/2015	30/09/2014
Suppliers	8,989	548
Interest accrued on loans and borrowings	3,063	4,071
Attendance fees	137	125
State	20	28
Other	4	-
	12,213	**4,772**

NOTE 6 Marketable securities and cash

Marketable securities, which amounted to €11,554,000 at 30 September 2015, consist primarily of treasury shares.

At 30 September 2015, the Group held:

- 367,951 treasury shares intended to be granted to employees and totalling €11,411,000;
- 5,394 shares acquired to adjust the stock market price, for an amount of €144,000.

Cash and cash equivalents amounted to €8,266,000 at 30 September 2015, compared with €160,000 at the end of the previous year.

NOTE 7 Changes in equity

	Share capital	Additional paid-in capital	Reserves and retained earnings	Profit (loss) for the year	Total
EQUITY AT 30/09/2013	**88,215**	**8,691**	**589,818**	**-113,490**	**573,234**
Capital increase					
Dividends paid					
Statutory reserve					
Retained earnings			-113,490	113,490	
Profit (loss) for the year				30,309	30,309
EQUITY AT 30/09/2014	**88,215**	**8,691**	**476,329**	**30,309**	**603,543**
Capital increase					
Dividends paid					
Statutory reserve					
Retained earnings			30,309	-30,309	
Profit (loss) for the year				73,060	73,060
EQUITY AT 30/09/2015	**88,215**	**8,691**	**506,638**	**73,060**	**676,604**

At 30 September 2015, Société d'Investissement Touristique et Immobilier (S.I.T.I.) has a 44.25% interest in Pierre et Vacances SA.

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NOTE 8 Sundry loans and other borrowings

	30/09/2015	30/09/2014
Loans and advances to equity investees	**229,894**	**230,354**
Pierre & Vacances FI SNC	229,035	229,035
Interest accrued on the Pierre & Vacances FI SNC borrowings	859	1,319
Current accounts	**8,426**	**12,298**
Société d'Investissement Touristique et Immobilier	8,426	12,298
Deposits received	**448**	**426**
TOTAL	**238,768**	**243,078**

The financial liabilities of €229,035,000 towards Pierre & Vacances FI SNC corresponds to the purchase price of shares in Center Parcs Holding France SAS acquired by Center Parcs Europe NV, transferred in 2012/2013 to PV-CP Finances SAS by means of a partial contribution of assets, then transferred by the latter to Pierre & Vacances FI SNC on 1 October 2013.

NOTE 9 Other liabilities

	30/09/2015	30/09/2014
Payables relating to income tax consolidation	4,026	2,381
Payables relating to the VAT consolidation group	9,842	8,553
Sundry liabilities	198	212
TOTAL	**14,066**	**11,146**

Payables relating to tax consolidation are linked to the recognition by Pierre et Vacances SA of income tax advances resulting from tax consolidation in its capacity as parent company of the tax consolidation group.

Total liabilities relating to the VAT consolidation group are linked to the recognition of subsidiaries' VAT liabilities for the Pierre et Vacances SA September 2015 VAT return submitted in its capacity as parent company of the tax consolidation group.

Sundry liabilities of €137,000 correspond to attendance fees for the 2014/2015 financial year.

NOTE 10 Accruals

Assets	30/09/2015	30/09/2014
Rents and rental charges	1,968	1,900
Miscellaneous	788	862
TOTAL PREPAID EXPENSES	**2,756**	**2,762**

The "Miscellaneous" item includes €775,000 in expenses relating to computer rental costs under licences and maintenance agreements at 30 September 2015.

NOTE 11 Deferred expenses

	30/09/2014	Increase	Reduction	30/09/2015
Bond issuance fees	3,455	-	691	2,764
Bank lending fees	3,302		752	2,550
TOTAL	**6,757**	**-**	**1,443**	**5,314**

Deferred expenses correspond to fees, charges and expenses incurred in the previous year to refinance bank loans and bond issues:

- the issuance of bonds redeemable in cash and/or in new and/or existing shares (ORNANEs) originally for €3,892,000;
- new bank loans originally for €3,764,000.

NOTE 12 Analysis of operating profit (loss)

	2014/2015	2013/2014
Services	10,051	6,397
Miscellaneous rentals	6,431	6,311
TOTAL REVENUE	**16,482**	**12,708**
Reinvoicing of expenses and fees	8,448	16,596
Miscellaneous	629	251
Reversal of provisions	109	-
TOTAL OPERATING INCOME	**25,668**	**29,555**
Rents and rental charges	7,615	7,675
Miscellaneous fees	11,485	4,955
Other purchases and external expenses	9,886	15,532
Depreciation, amortisation and impairment	1,641	1,442
TOTAL OPERATING EXPENSES	**30,627**	**29,604**
OPERATING PROFIT (LOSS)	**-4,959**	**-49**

Revenue for financial year 2014/2015 mainly consisted of:

- €10,051,000 invoiced for services rendered to subsidiaries to develop and finance new Center Parcs villages in the Netherlands and Germany.

  Amounts in respect of the previous year included €4,000,000 in services rendered to the subsidiary SNC Presqu'île de la Touques Loisirs to help identify an investment partner, as well as structuring the finance package necessary for the deal;
- €6,431,000 in reinvoiced rent expenses representing the share of subsidiary entities for their occupation of premises at the Group's registered office at Artois, in the 19th district of Paris.

Operating loss for the financial year 2014/2015 was €4,959,000 (compared with a €49,000 loss in 2013/2014). This was the result of costs incurred by Pierre et Vacances SA to develop the Group's activities as holding company.

NOTE 13 Net financial income (expenses)

	2014/2015	2013/2014
Financial income from associates and other long-term equity investments	37,025	55,085
Reinvoiced expenses and reversals of provisions	39,577	5,090
Other interest income	4,965	6,416
Other financial income	63	77
FINANCIAL INCOME	**81,630**	**66,668**
Amortisation and provisions on financial assets	2,633	29,703
Impairment losses		
Interest expense	12,322	11,249
Net expense on disposals of marketable securities	68	83
Other financial expenses	0	0
FINANCIAL EXPENSES	**15,023**	**41,035**
NET FINANCIAL INCOME (EXPENSES)	**66,607**	**25,633**

Net financial income amounted to €66,607,000 for 2014/2015, compared with €25,633,000 for the previous year.

It is mainly composed of the following items:

- dividend income of €37,025,000 from subsidiaries, including:
  - €27,742,000 from the company PVCP Immobilier Holding, a sub-holding company for the property development business segment,
  - €5,280,000 from PV Marques, a subsidiary owning the Group's brands (mainly Pierre et Vacances, Maeva and Multivacances), excluding "Les Senioriales" brand and those operated by the Center Parcs sub-group,
  - €3,596,000 from the company Entwicklungsgesellschaft Ferienhauspark Bostalsee GmbH,
  - €407,000 from the company PV Courtage;
- reversals of impairment provisions for €39,419,000, including:
  - €37,742,000 for shares in Pierre & Vacances Tourisme, a sub-holding company for European tourism activities for the Pierre & Vacances and Center Parcs brands,
  - €1,365,000 relating to the Pierre & Vacances FI SNC current account;
- interest income of €4,820,000 on current accounts, including €4,499,000 on the current account held by Pierre et Vacances FI SNC, a subsidiary responsible for the Group's central cash management;
- sundry other income for €54,000;
- financial expenses of €15,023,000, including, in particular:
  - interest expense on bank loans of €5,489,000, including €1,303,000 related to the syndicated loan, €4,025,000 related to ORNANE convertible bonds subscribed for during the previous year, and €161,000 related to outstanding OCÉANE bonds,
  - interest expense and commissions on bank loans of €3,775,000,
  - an allocation to financial provisions for risks relating to the negative net worth of Pierre & Vacances Maroc for €1,902,000 and Support Services BV for €712,000,
  - interest expense and commissions on short-term financing of €1,058,000,
  - interest expense of €859,000 on other borrowings arranged with Pierre & Vacances FI SNC,
  - fees and commissions and expenses on sureties and interest rate swaps of €592,000,
  - sundry other expenses for €323,000.

Net financial expenses for 2013/2014 amounted to €25,633,000.

It mainly consisted of the following:

- dividend income of €55,085,000 from subsidiaries;
- interest income of €6,410,000 on the current account, including €5,191,000 on the current account of Pierre & Vacances FI SNC;
- income of €2,479,000 relating to an adjustment to the provision for current account impairment losses;
- income of €2,456,000 relating to an adjustment to the provision for treasury share impairment losses;
- financial expenses of €41,035,000, including, in particular:
  - impairment losses on financial assets totalling €29,703,000,
  - interest and fees on bank loans and the corporate loan of €9,463,000,
  - commissions and interest expense on short-term financing of €1,045,000,
  - fees and commissions and expenses on sureties and interest rate swaps of €653,000.

NOTE 14 Non-recurring profit (loss)

	2014/2015	2013/2014
Non-recurring profit (loss) on management transactions	-27	-5,280
Non-recurring profit (loss) on capital transactions	-330	-10
Non-recurring additions to/reversals of provisions and transfers of expenses	307	4
NON-RECURRING PROFIT (LOSS)	**-50**	**-5,286**

The main change for the year was the cost of shelving an IT project for €307,000; the carrying amount had already been fully written down at 30 September 2014.

The non-recurring loss for 2013/2014 of €5,286,000 essentially consisted of the cost of redeeming OCÉANE bonds totalling €5,367,000.

NOTE 15 Total transfers of expenses

	2014/2015	2013/2014
Borrowing costs reclassified to deferred expenses spread over the loan terms	-	7,657
Reinvoiced Head Office costs and services	7,064	7,039
Borrowing costs reclassified to financial income (expenses)	1,444	1,891
Reinvoiced employee expenses	-	457
Operating expenses reclassified to non-recurring income (loss)	-57	447
Reinvoiced miscellaneous expenses	1	4
TOTAL RECLASSIFICATIONS OF OPERATING EXPENSES	**8,448**	**17,495**
Reinvoiced bank guarantees	157	155
TOTAL TRANSFERS OF FINANCIAL EXPENSES	**157**	**155**
Reinvoiced non-recurring expenses	-	311
TOTAL TRANSFERS OF NON-RECURRING EXPENSES	**-**	**311**
TOTAL TRANSFERS OF EXPENSES	**8,605**	**17,961**

For the 2013/2014 financial year, reclassified expenses of €7,657,000 had been recognised in relation to debt restructuring.

NOTE 16 Income tax

Pierre et Vacances SA is head of the tax consolidation group that it set up on 1 October 1996.

At 30 September 2015, the members of this group were:

- Pierre et Vacances SA;
- Pierre & Vacances Tourisme Europe SA;
- PV-CP Distribution SA;
- Sogire SA;
- Compagnie Hôtelière Pierre et Vacances SA;
- Société de Gestion de Mandats SARL;
- Club Hôtel Multivacances SAS;
- Pierre et Vacances Transactions SARL;
- Pierre et Vacances Développement SA;
- Pierre et Vacances Conseil Immobilier SA;
- Pierre et Vacances Courtage SARL;
- Club Univers de France SARL;
- Pierre & Vacances Rénovation Tourisme SAS;
- Cobim SARL;
- Tourisme Rénovation SAS;
- Peterhof 2 SARL;
- Club Hôtel SARL;
- SGRT SARL;
- Pierre & Vacances FI SNC;
- PV Résidences et Resorts France SAS;
- Center Parcs Resorts France SAS;
- Pierre et Vacances Investissement XXIV SAS;
- PV-CP Holding Exploitation SAS;
- PV-CP Gestion Exploitation SAS;
- PV Senioriales Promotion et Commercialisation SAS;
- SICE SNC;
- Holding Rénovation Tourisme SAS;
- Orion SAS;
- Pierre et Vacances Senioriales Programmes Immobiliers SAS;
- PV-CP Immobilier Holding;
- Société d'Exploitation Touristique Pierre et Vacances Guadeloupe;
- Société d'Exploitation Touristique Pierre et Vacances Martinique;
- Pierre et Vacances Marques SAS;
- Commerces Patrimoine Cap Esterel SNC;
- Pierre et Vacances Esterel Développement SAS;
- Pierre et Vacances Investissement XXXXIII SAS;
- PV Senioriales Exploitation SAS;
- PV Senioriales Gestion Immobilière SAS, formerly Pierre et Vacances Investissement XXXXV SAS;
- Pierre et Vacances Investissement XXXXVI SAS;
- Pierre et Vacances Investissement XXXXVII SAS;
- Center Parcs Holding Belgique SAS;
- PV-CP Finances SAS;
- Pierre et Vacances Investissement XXXXIX SAS;
- PV-CP City SAS.

Breakdown of the tax expense	
Tax passed on by subsidiaries	11,462
Net tax (benefit)	**11,462**

Each subsidiary in the tax consolidation group recognises its tax as if it were levied separately. Pierre et Vacances SA, as the parent company in the tax consolidation group, records the tax saving resulting from tax consolidation.

In the absence of tax consolidation, the amount of tax that would have been borne by Pierre et Vacances SA in 2014/2015 would have been zero.

Further to the rulings handed down in July 2013 by the Administrative Court, Pierre et Vacances SA obtained a favourable outcome to its dispute with the Tax Authorities relating to a tax inspection for the financial years 2003/2004, 2004/2005 and 2005/2006. Although the Tax Authorities launched an appeal against these decisions, in light of the ruling and the findings of the Reporting Judge (Rapporteur Public) and the advice of tax advisors, the Pierre & Vacances-Center Parcs Group does not anticipate any financial risk.

NOTE 17 Increases and reductions in the future tax liability

The taxable result of the whole consolidation group headed by Pierre et Vacances SA showed an amount of €979,000 for 2014/2015, corresponding to a taxable profit at the standard tax rate before tax loss carryforwards acquired by the tax consolidation group, the net amount of which was €339,482,000 at 30 September 2015.

NOTE 18 Related companies

Statement of financial position items	Related companies	Equity investees
Net equity interests	484,428	1,750
Trade receivables	10,496	107
Other receivables[(1)]	550,265	6,988
Sundry loans and long-term borrowings[(1)]	238,746	-
Trade payables	9,749	-
Other liabilities	13,869	-
Income and expense items		
Financial expenses	949	-
Financial income	41,674	171
Non-recurring expenses	65	-
Non-recurring income	30	-

(1) These items, which are shown as a net value, are mainly composed of current accounts.

FINANCIAL COMMITMENTS AND OTHER INFORMATION

NOTE 19 Off-statement of financial position commitments

	30/09/2015	30/09/2014
Guarantees and pledges:		
Lease payment guarantees	1,197,751	1,130,946
First-call guarantee to Sogefinerg (Ailette finance lease)	170,906	174,119
Guarantee given within the framework of contracts to outsource CPE IT solutions and equipment	35,775	49,414
Counter-guarantee given on behalf of Uniqua to Unicredit Bank Austria AG for the operating of aholiday residence in Vienna	1,200	1,200
Guarantee given on behalf of SNC Bois de la Mothe Chandenier Cottages to Bellin TP regarding exterior work (earthworks, wastewater treatment, roads, trenches, etc.) contracts for Center Parcs in the Vienne region	2,554	7,608
Guarantee given on behalf of SNC Bois de la Mothe Chandenier Équipements to Bellin TP regarding exterior work (earthworks, wastewater treatment, roads, trenches, etc.) contracts for Center Parcs in the Vienne region	1,925	6,636
Counter-guarantee issued to Société Générale on behalf of PV Exploitation Belgique to secure a leasehold agreement	620	620
Guarantee given to CACIB on behalf of SNC Presqu'île de la Touques Loisirs for the financing of the property development programme in Deauville	30,000	30,000
Surety issued to the town of Deauville on behalf of SNC Presqu'île de la Touques Loisirs for the acquisition of a property complex in Deauville	11,363	15,733
Guarantee given to Natixis on behalf of SAS Foncière Presqu'île de la Touques Loisirs for the financing of the property development programme in Deauville	2,296	3,750
Surety issued on behalf of the SNC Sud-Ouest Cottages under an unilateral sale agreement signed by Groupement Forestier du Domaine du Papetier, Mr Frezier and the Corbefin consortium.	85	0
Surety on behalf of PVD SA to the local authority of Courseulles sur Mer for the purchase of land	159	159
Surety on behalf of PVD SA to the local authority of Roybon for the purchase of land	0	30
Surety issued to BNP Paribas Leasing Solutions & Fortis Lease NV on behalf of PV Exploitation Belgique as part of the TV leasing agreement	39	39
Surety issued to SoGePi on behalf of PV Italia as part of the sale of Calarossa	413	413
Counter-guarantee issued to CACIB on behalf of Adagio SAS regarding Westdeutscher Rundfunk	39	39
Surety issued on behalf of CP Algäu GMBH to Leutkircher Bank as part of the extension of the loan agreement	1,505	1,505
Surety issued to the company G.C.C. on behalf of Les Senioriales – Marseille Saint Loup in connection with a works contract for Lot No. 2 – Structural Work	0	65
Surety issued to the Treasury on behalf of Roybon Équipements SNC concerning the deferred payment of the Architecture, Planning and Environment Council regional tax as well as the regional tax for sensitive natural areas	3,724	3,724
Surety issued to the Treasury on behalf of Roybon Équipements SNC concerning the deferred payment of the rescue archaeology fee	0	330
Surety on behalf of Les Senioriales – Izon	0	583
Surety on behalf of Les Senioriales – Marseille Saint Loup	0	1
Mortgages:		
Mortgage on behalf of Les Senioriales – Cavillargues	0	650
Mortgage on behalf of Les Senioriales – Cenon	3,200	3,200
Mortgage on behalf of Les Senioriales – Boulou	3,600	3,600
Mortgage on behalf of Les Senioriales – Manosque	4,000	4,000
Mortgage on behalf of Les Senioriales – Charleval	0	1,250
COMMITMENTS GIVEN	**1,471,154**	**1,439,614**

	30/09/2015	30/09/2014
Guarantees and pledges:	**2,408**	**2,408**
Guarantee received from Accor for 50% of the counter-guarantee amount to Unicredit Bank Austria AG for the operating of a residence in Vienna	600	600
Rent guarantee deposit – Artois	1,795	1,795
Guarantee deposit for additional parking spaces	13	13
COMMITMENTS RECEIVED	**2,408**	**2,408**
RECIPROCAL COMMITMENTS	**25,200**	**32,400**

Lease payment guarantees

Pierre et Vacances SA has provided guarantees totalling €1,197,751,000, as described below:

- to Green Buyco BV a company outside the Group, owner of the land and buildings of seven Center Parcs Europe villages, for payment of rent by its operating subsidiaries. At 30 September 2015, outstanding rent commitments for the remaining term of the leases for these seven villages came to €504.5 million;
- to institutional investors for rent commitments related to the Center Parcs village in Bois Aux Daims, with an outstanding amount for the term of the leases of €193.8 million;
- to La Foncière des Murs for rent commitments related to the Sunparks villages, with an outstanding amount for the term of the leases of €151 million;
- for payment of rent for the village of Eemhof to the Dutch company Zeeland Investments Beheer, owner of the land and buildings of the village. Outstanding rent commitments for the remaining term of the lease came to €126.6 million;
- to the owner of the land and buildings of the Center Parcs village of Bostalsee in the Sarre region of Germany, together with Center Parcs Bungalowpark GmbH, for payment of rent owed by its operating subsidiary. Outstanding rent commitments for the remaining term of the lease came to €97.5 million;
- to Eurosic for rent commitments related to the Center Parcs village in Bois Francs, with an outstanding amount for the term of the leases of €46.6 million;
- to Eurosic for rent commitments related to the Center Parcs village in Chaumont, with an outstanding amount for the term of the leases of €35.6 million;
- to the owner of the land and buildings of the Center Parcs village of Butjadinger Küste in Tossens, Germany, together with Center Parcs Europe NV, for payment of rent owed by its operating subsidiary. Outstanding rent commitments for the remaining term of the lease came to €21.6 million;
- to Uniqua, owner of the residence in Vienna, for payment of outstanding rent commitments for the remaining term of the lease amounting to €6.2 million;
- to Spectrum Real Estate GmbH, owner of the residence in Munich, for payment of outstanding rent commitments for the remaining term of the lease amounting to €6.2 million;
- to the individual owners of the Bonmont residence, for payment of outstanding rent commitments for the remaining term of the lease amounting to €4.4 million;
- to the owner of the Adagio residence in Liverpool, for the payment of 50% of rent owed by its operating subsidiary Adagio UK Limited. Outstanding rent commitments for the remaining term of the lease came to €1.4 million;
- to the owner of the Adagio residence in Cologne, for the payment of 50% of rent owed by its operating subsidiary Adagio Deutschland GmbH. Outstanding rent commitments for the remaining term of the lease came to €1.1 million;
- to Llopuig S.L., owner of the Tossa Del Mare residence, for payment of outstanding rent commitments for the remaining term of the lease amounting to €0.4 million;
- to Diesco De Restauracio S.L., owner of the Calacristal residence, for payment of outstanding rent commitments for the remaining term of the lease amounting to €0.3 million.

First-call guarantee to Sogefinerg (Ailette finance lease)

Within the framework of the building of central facilities (tropical paradise, restaurants, bars, shops, sports and leisure facilities) at the new Center Parcs in Aisne, Pierre et Vacances signed a public service delegation agreement with the Conseil Général de l'Aisne, which delegates to Pierre et Vacances and its subsidiaries the design, building and operation of the leisure centre facilities. Furthermore, a tripartite agreement was signed between Pierre et Vacances, the Conseil Général de l'Aisne and a finance institution to set up the financing for this work. Part of the cost of building the facilities is being provided by a subsidy from the Conseil Général de l'Aisne. The remaining financing is based on the transfer of assets to the financial institution as an off-plan sale performed by a property development subsidiary indirectly owned by Pierre et Vacances. The transfer is supplemented by a lease of the facilities. Within the framework of the finance lease for the facilities, Pierre et Vacances SA has granted a first-call guarantee of €170,906,000 that will be amortised over the term of the lease, *i.e.*, until 31 December 2038. On this date, the Conseil Général will regain ownership of the facilities free of charge.

Reciprocal commitments

The derivative financial instruments contracted by the Pierre & Vacances-Center Parcs Group at 30 September 2015 are intended exclusively for the management of interest rate risk. They are deemed to be derivatives designated as cash flow hedging instruments. Interest rate risk is generally managed relative to the Group's net financial liabilities in order to protect it against a possible rise in interest rates. To this end, the Group entered into swap agreements with leading banks.

At 30 September 2015, the notional amounts and market values of the swap contracts intended to hedge the variable rate borrowings were as follows:

Rate received	Rate paid	Notional amount at 30/09/2015 *(in € thousands)*	Market value of hedging instruments *(in € thousands)*	Start date	Maturity date
6-month Euribor	0.6950%	12,600	-151	19/09/2014	19/09/2018
6-month Euribor	0.6790%	12,600	-147	19/09/2014	19/09/2018
TOTAL		**25,200**	**-298**		

The market value of the swaps was -€298,000 at 30 September 2015, compared with -€340,000 at 30 September 2014 for the swaps outstanding at that date.

NOTE 20 Parent company

The Company's financial statements are fully consolidated into those of Société d'Investissement Touristique et Immobilier – S.I.T.I. SA.

NOTE 21 Remuneration of executive management and directors

Attendance fees paid to members of the Board of Directors in 2015 in respect of financial year 2014/2015 amounted to €86,000 compared with €72,000 paid for 2013/2014.

For the years ended 30 September 2015 and 30 September 2014, no salary (including benefits of any kind) was paid to a corporate officer directly by Pierre et Vacances SA or by any of the Pierre & Vacances-Center Parcs Group companies controlled as defined in Article L. 233-16 of the French Commercial Code.

However, Société d'Investissement Touristique et Immobilier (a company indirectly owned by the Chairman, founder and majority shareholder of Pierre et Vacances SA), as an asset management company, invoiced for fees for the services rendered by Gérard Brémond, Martine Balouka, Thierry Hellin and Patricia Damerval. The fees invoiced by S.I.T.I. were calculated on the basis of direct costs (remuneration paid + employer's contributions + other direct costs: travel, premises, secretarial costs) plus a 5% margin and calculated prorata for the time spent by each individual on managing the business of Pierre & Vacances-Center Parcs Group companies.

Since these people are on the Group Executive Management Committee, their remuneration is included in the table below:

	2014/2015	2013/2014
Fixed remuneration(1)	1,647,466	1,632,015
Variable remuneration(2)	557,210	635,290
Post-employment benefits(3)	21,719	19,647
Share-based remuneration(4)	133,802	373,770
TOTAL	**2,360,197**	**2,660,722**

(1) Amount paid including reinstatement of the benefit in kind involving the availability of a company car.
(2) Paid in the financial year following the year for which it is granted.
(3) This amount corresponds to the expense recognised during the financial year.
(4) Represents the annual share-based remuneration expense on grants of share options and bonus shares (theoretical measurement on the basis of the of Pierre et Vacances shares at the date of grant). The €82,172 relating to options is for instruments that vest (and which may therefore be exercised) on or after 4 March 2015, subject to continued employment and/or performance conditions, and for which the value can currently be considered zero due to the Pierre et Vacances share price dropping well below the exercise price (€63.93).

For each of them, the variable bonus is determined based on the financial performance of the Pierre & Vacances-Center Parcs Group and the achievement of personal objectives.

NOTE 22 List of subsidiaries and equity investments

Subsidiaries, associates and other long-term equity investments	Share capital	Equity other than share capital (excluding profit)	Portion of capital held (in %)	Gross value of shares held
SUBSIDIARIES (more than 50% of the capital held):				
PV-CP Immobilier Holding	31	18,467	100.00	64,965
Pierre et Vacances FI SNC	15	-22,430	99.00	15
Part-House Srl	99	-224	55.00	1,054
Pierre et Vacances Courtage SARL	8	183	99.80	8
Orion SAS	38	-3,330	100.00	38
Pierre et Vacances Investissement XXXXIII SAS	38	-8	100.00	38
Pierre et Vacances Investissement XXXXVI SAS	10	-14	100.00	10
Pierre et Vacances Investissement XXXXVII SAS	10	-14	100.00	10
Pierre et Vacances Investissement XXXXIX SAS	10	-11	100.00	10
PV CP Support Services BV	18	-639	100.00	18
Pierre et Vacances Maroc SAS	161	0	100.00	4,159
Multi-Resorts Holding BV	18	362	100.00	18
Pierre et Vacances Tourisme Europe	52,590	155,931	100.00	422,130
Pierre et Vacances Marques SAS	62,061	2,549	97.78	60,686
SUBSIDIARIES (more than 10% of the capital held):				
GIE PV-CP Services	150	2	20.00	36
Adagio SAS	1,000	3,868	50.00	500
Entwicklungsgesellschaft Ferienhauspark Bostalsee GmbH	100	-503	19.90	20
Les Villages Nature de Val d'Europe SAS	2,018	2,022	50.00	1,234
Villages Nature Management SARL	21	-6	50.00	15

Net carrying amount of shares held	Loans and receivables outstanding granted by the company and not yet paid back	Amount of deposits and endorsements given by the Company	Revenue before tax for the last financial year	Profit (loss) for the year ended	Dividends gained by the Company during the financial year	Comments
64,965	0	0	20	19,642	-27,743	30/09/2015
0	555,236	0	0	2,458	0	30/09/2015
0	292	0	0	0	0	30/09/2015
8	0	0	1,085	699	407	30/09/2015
0	0	0	251	-97	0	30/09/2015
38	0	0	0	-1	0	30/09/2015
10	0	0	0	-3	0	30/09/2015
10	0	0	0	-3	0	30/09/2015
10	0	0	0	-3	0	30/09/2015
0	0	0	92	-91	0	30/09/2015
2,256	5,069	0	458	-355	0	30/09/2015
18	0	0	0	-21	0	30/09/2015
356,363	0	0	0	15,387	0	30/09/2015
60,686	0	0	0	4,863	5,280	30/09/2015
0	0	0	0	0	0	30/09/2015
500	7,840	0	74,710	2,471	0	31/12/2014
20	0	0	13,838	1,547	0	30/09/2015
1,234	652	0	20,618	-3	0	30/09/2015
15	0	0	0	-3	0	30/09/2015

NOTE 23 Events after the reporting period

Development partnership agreements in China

In the 2014/2015 financial year, the Group signed memoranda of understandings with Beijing Capital Land on 4 December 2014 and with the HNA Tourism Group on 2 July 2015 to establish long-term partnerships to roll out the Pierre & Vacances-Center Parcs concept in China,

On 6 November 2015, the HNA Tourism Group and the Pierre & Vacances-Center Parcs Group signed strategic partnership agreements as part of the extension of the agreement in principle signed on 2 July 2015 in Toulouse.

These agreements are in two parts: the development of Pierre & Vacances-Center Parcs concepts in China and the investment of the HNA Tourism Group in Pierre et Vacances S.A.

Development in China

The two Groups aim to develop a leading platform for the design and operation of holiday destinations inspired by Center Parcs et Pierre et Vacances concepts. With the preliminary surveys well underway, these projects are located close to the major cities of Shanghai, Beijing, Chengdu and Fuzhou. Looking ahead to the 2022 Beijing Winter Olympics, the Groups will help develop mountain resorts in China similar to the Avoriaz resort.

These various projects will be implemented *via* a Joint Venture, 60%-owned by the HNA Tourism Group and 40%-owned by the Pierre & Vacances-Center Parcs Group. This Joint Venture shall act as the vehicle for the tourism and property development services that will be provided for investors in each project. It will have the exclusive right to develop Center Parcs-inspired concepts in China.

The HNA Tourism Group agrees to mobilise funding for the first five developments over the next three years, an investment estimated at €1 billion. The provisional completion rate is two per year, with funding provided by various institutional investors.

The HNA Tourism Group will also be actively involved in acquiring land and obtaining administrative authorisations.

The Pierre & Vacances-Center Parcs Group will lend the Joint Venture its property development and tourism expertise by managing:

- the scheduling, architectural design and landscaping for each project;
- property sales to private individuals;
- management of tourism activities – distribution and operation – of the completed projects.

In addition, the HNA Tourism Group – *via* its travel agent subsidiary, the HNA CAISSA Travel Group – will drive the sale of Pierre et Vacances and Center Parcs European destinations to Chinese customers.

Equity partnership

To strengthen this strategic partnership, agreements between the two Groups include the acquisition of an equity interest in Pierre et Vacances S.A. (PVSA) by the HNA Tourism Group.

The HNA Tourism Group will subscribe for a reserved capital increase accounting for 10.00% of PVSA post-transaction equity, at a price of €25.18 per share, *i.e.* a 3% premium on the volume-weighted average share price for the 20 trading days to 6 November 2015. Once this capital increase is complete, the equity interest and voting rights of SITI (the holding company controlled by Gérard Bremond) in PVSA will be 39.83% and 57.99% respectively.

Under this partnership, SITI and the HNA Tourism Group signed a joint shareholders' agreement which particularly specifies that:

- the HNA Tourism Group is subject to a lock-up and standstill agreement;
- the HNA Tourism Group has two representatives on the PVSA Board of Directors;
- SITI retains majority representation on the PVSA Board of Directors.

Agreement on the financing of the sixth German Center Parcs located in the Allgau region

In November 2015, Pierre & Vacances-Center Parcs Group and Eurosic signed an agreement concerning financing of the sixth German Center Parcs located in the Allgau region in Bade-Wurtemberg.

Eurosic is to acquire the future domain located in forestland of 184 hectares, made up of 750 cottages and recreational facilities. The project represents an investment of €255 million before tax.

The domain's facilities and accommodation are to be leased to an operating company belonging to the Pierre & Vacances-Center Parcs Group under the framework of a long-term lease.

The domain is due to open in 2018.

4.3.4 FIVE-YEAR FINANCIAL SUMMARY

	Year ending 30 September				
Information type	2011	2012	2013	2014	**2015**
I- Financial position					
a) Share capital	88,216	88,216	88,216	88,216	88,216
b) Number of shares issued	8,821,551	8,821,551	8,821,551	8,821,551	8,821,551
c) Par value *(in €)*	10.00	10.00	10.00	10.00	10.00
II- Results of transactions					
a) Revenue before tax	8,451	8,725	9,481	12,708	16,482
b) Income before tax, depreciation, amortisation and impairment	65,236	24,539	-12,425	47,526	26,038
c) Income tax	-12,224	-12,371	-13,856	-10,011	-11,462
d) Income after tax, depreciation, amortisation and impairment	74,510	32,350	-113,490	30,309	73,060
e) Profits distributed	6,175	-	-	-	-
III- Earnings per share *(in €)*					
a) Income after tax, but before depreciation, amortisation and impairment	8.78	4.18	0.16	6.54	4.25
b) Income after tax, depreciation, amortisation and impairment	8.45	3.67	-12.87	3.44	8.28
c) Dividend per share	0.70	0.00	0.00	0.00	0.00
IV- Employees					
a) Number of employees					
b) Employee expenses, excluding benefits			None		
c) Employee benefit expenses					

4.4 STATUTORY AUDITORS' REPORT ON THE PARENT COMPANY FINANCIAL STATEMENTS

Year ended 30 September 2015

To the Shareholders

In compliance with the assignment entrusted to us by your Shareholders' Ordinary Meeting, we hereby report to you, for the year ended 30 September 2015, on:

- the audit of the accompanying annual financial statements of Pierre et Vacances;
- the justification of our assessments;
- the specific verifications and information required by law.

The annual financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the annual financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the annual financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the annual financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the annual financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the annual financial statements give a true and fair view of the assets and liabilities and of the financial position of Pierre et Vacances SA., as well as of the results of its operations for the year then ended in accordance with French accounting principles and methods.

II. Justification of our assessments

In accordance with the provisions of Article L. 823-9 of the French Commercial Code on the justification of our assessments, please note the following items:

- section 2 "Significant accounting policies" of the notes to the financial statements describes in particular the principles and methods related to the measurement of investments in associates and other long-term equity investments. Note 2 "Provisions" of section 3 "Additional information on the statement of financial position and income statement" sets out the impairment losses recognised on certain investment securities. Our assessment of these valuations is based on the process implemented by your Company to etablish the value in use of equity holdings. Our work notably consisted of assessing the data used by your Company to establish the value of these estimates and the ensuing impairment amounts. On these basis, we assessed whether or not the resulting estimations and depreciation were reasonable.

These assessments were made as part of our audit of the annual financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verifications and information

In accordance with the professional standards applicable in France, we have also performed the specific verifications required by law.

We have no matters to report regarding the fair presentation and consistency with the annual financial statements of the information given in the Board of Directors management report and in the documents sent to shareholders on the financial position and the annual financial statements.

As regards the information provided pursuant to Article L. 225-102-1 of the French Commercial Code on remuneration and benefits paid to executive and non-executive corporate officers and commitments made in their favour, we verified the consistency of this information with the information given in the financial statements or with the data used to prepare the financial statements, and, if applicable, with the information received by the Company from the companies which control it or which are controlled by it. On the basis of this work, we certify that this information is accurate and fair.

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Paris and Paris-La Défense, France, 2 December 2015

The Statutory Auditors

AACE ÎLE-DE-FRANCE French member of Grant Thornton International	ERNST & YOUNG et Autres
Virginie Palethorpe Michel Riguelle	Bruno Bizet

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5

SOCIAL, SOCIETAL AND ENVIRONMENTAL RESPONSIBILITY

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5.1 OUR SUSTAINABLE DEVELOPMENT POLICY

5.1.1 OUR ROLE

The Group's commitment to sustainable development stems from an original economic model combining property development with long-term tourism operations. This specific feature presents an opportunity. It enables involvement right from the design and construction stages of the residences and villages and the monitoring of the measures implemented throughout operation of the sites. This long-term commitment signals a strong responsibility towards our shareholders, individual and institutional investors, employees, customers and local partners (companies, residents, associations, etc.).

Our goal is to provide concrete and innovative responses to the environmental challenges of our time. We do this by designing high-performance buildings, forging strong partnerships with communities and by creating new leisure offerings close to urban areas that encourage revitalisation and reconnection with loved ones and nature.

5.1.2 OUR COMMITMENTS

Our sustainable development strategy is based on five commitments:

- **Supporting our employees in a changing environment**

  The seasonal nature of the tourism business – accentuated by the timing of school holidays, the increase in short stays and last-minute purchases – means that our employment policy needs to be more flexible and gives us specific responsibilities in terms of human resources management. The Group is a responsible employer and very attentive to the satisfaction of its employees, the key to customer satisfaction.

- **Preserving the natural capital of our sites**

  The beauty and quality of the landscapes where our sites are situated are major assets. Preserving this environment and valuing local natural wealth is part of our know-how. This expertise is reflected in concrete actions. During the design phase: inclusion of biodiversity criteria in the ground plans for our sites, detailed inventories of fauna, flora and habitats season by season and restoration of ecological corridors, etc. During the operational phase: separate management of green spaces and nature and the reduced use of phytosanitary products.

- **Reducing our environmental impact**

  With a holiday residence portfolio of almost 300 sites all over Europe, we are able to offer holiday locations that are within easy reach of our customers. To reduce our direct impact on the environment, we implement actions, from construction to operation, to limit water and energy use, waste generation and greenhouse gas emissions.

- **Making local holidays a time to reconnect with loved ones and with nature**

  Holidays are a special time to meet with family and friends, discover new regions and take an interest in our surrounding environment. For us, this is an opportunity to make our customers, and especially children more aware of nature preservation through fun initiatives and activities.

- **Being a partner and contributing to communities over the long term**

  Boosting local economies by generating jobs on our sites and by the purchases made for operations, valuing the cultural assets of each region and building strong, long-term relationships with each community are strong challenges for us.

5.1.3 OUR ORGANISATION

The Sustainable Development Department reports to the Deputy Chief Executive Officer and decides the Group's CSR (Corporate Social Responsibility) strategy in liaison with the Operational Departments. It supports the departments in implementing action plans and coordinates non-financial reporting. All the Group's business activities in both the tourism and property businesses, and the support functions help move the CSR approach forward within the Group.

The Sustainable Development Department is also involved in reflection relative to the deployment of new products and services, and in developing new tourism concepts internationally.

5.1.4 OUR CSR OBJECTIVES

Corporate Social Responsibility Policy	Objectives	Scope	Reference in the Management Report	Work focuses in 2015/2016
Implementing a responsible employer policy				
Well-being	Monitoring employee satisfaction	Group	5.2.5.1	Establishing and rolling out action plans suitable for each department
Performance	Making managers the base of team performance	Group	5.2.3	Strengthening and widening measures to other management levels
Skill management	Offering rewarding professional experiences associated with our employment model	Group	5.2.2.1 – 5.2.4.2	Continuing to professionalize our skill development policy
Equal opportunity	Ensuring equal opportunities between employees	Group	5.2.2.2 – 5.2.6	Steering performance
Security	Ensuring a safe working environment	Group	5.2.5	Steering performance
Reducing our environmental impact and preserving the natural capital of our sites				
Water & energy	Steering water and energy consumption at the sites operated	Group	5.3.2.1	Fine-tuning consumption analysis at all sites For Center Parcs: continuing the action plan in line with the target set: to reduce energy consumption at the sites by 20% by 2020 (base 2010)
Water & energy	Ensuring the environmental performance of new projects	Center Parcs and Villages Nature	5.3.4	Starting and monitoring certification (HQE or equivalent) and energy labelling procedures for projects under construction (THPE...)
Renewable energies	Increasing the share of renewable energies	Center Parcs and Villages Nature	5.3.2.1	Developing renewable energies for new major projects
Biodiversity	Implementing measures to preserve and monitor site biodiversity (construction and operation phase)	Center Parcs and Villages Nature	5.3.4	Continuing the "Green Building Charter" and monitoring biodiversity for Villages Nature Monitoring volumes of phytosanitary products consumed at Center Parcs
Waste	Improving the sorting rate of sites operated	Center Parcs	5.3.3	Implementing an action plan in view of the target set: 50% of waste recycled by 2020

Corporate Social Responsibility Policy	Objectives	Scope	Reference in the Management Report	Work focuses in 2015/2016
Maintaining the sustainable development performance on a daily basis at our sites				
SD tool	Monitoring the sustainable development performance of sites using a specific reporting and management tool (BEST!)	Group	5.3.1.1	Rolling out the new version of BEST! at the Group level
Label	Continuing the environmental certification program for our sites:	Group	5.3.1.2	
	◆ Target to reach 100% of Pierre & Vacances premium with Green Key label in 2018 and maintaining the label at the sites that already have it	Pierre & Vacances et Center Parcs France	5.3.1.2	Continuing labelling of new Pierre & Vacances premium sites in line with the target (45% in 2015)
	◆ Maintaining the EU certification rate of 60% for Aparthotels Adagio and rolling out to European sites	Aparthotels Adagio	5.3.1.2	Maintaining the rate of French sites labelled (68% in 2015) and extending to Adagio Aparthotels in Europe
	◆ Implementing ISO 14001 certification at 100% of the Center Parcs domains	Center Parcs France	5.3.1.2	95% in 2015 Obtaining ISO 14001 certification for the Center Parcs du Bois aux Daims
Inventing sustainable tourism experiences				
Awareness	Offering children activities to make them aware of sustainable development issues and associated with nature	Pierre & Vacances villages clubs and Center Parcs France	5.5.2.2	Continuing and strengthening the Eco'lidays programs in the Pierre & Vacances villages clubs and the "Wanna be..." activities link with nature at Center Parcs Continuing to organize *the Kids Climate* Conference in Europe
Communication	Communicating our commitments and making our clients aware of good practices during their stay	Pierre & Vacances and Center Parcs	5.5.2.2	Continuing and strengthening the actions in place
Being a long-term partner to the regions				
Purchases	Implementing a local purchases policy at the sites (construction and operation phase)	Pierre & Vacances and Center Parcs	5.4.1.2	Measuring the socio-economic impact of certain pilot sites
Recruitment	Recruiting locally during major project openings*	Center Parcs and Villages Nature	5.2.2.2	Implementing the measures planned for in the employment convention for recruiting the operating team at Villages Nature
Involved parties	Implementing a consultation meeting between involved parties for all our major projects	Center Parcs and Villages Nature	5.3.1.1	Studying the consultation tool the most suited to each project

* *Major projects: projects developed by Center Parcs and Villages Nature.*

Inclusion in non-financial rankings

The Group is listed on the 2015 Gaïa Index. This index lists the 70 companies (SMEs, mid-sized companies) with the best non-financial performance. Once again, the Group is eligible for this year's Ethibel EXCELLENCE investment register, its CSR performance having been judged better than average in its sector. Moreover, the Group responded to the last questionnaire of the VIGEO ratings agency, which gives investors access to external detailed analysis of the Sustainable Development policy being implemented. Its cooperation was deemed "proactive" in terms of disclosing information, and the Group is in the top third of the ranking for its sector (15 companies within the "Hotel, Leisure Goods & Services" sector in terms of CSR performance.

Reporting scope

The reporting reference year runs from 1 October 2014 to 30 September 2015.

For social data, all employees paid by the Group are included, irrespective of the business (property development or tourism) or the brand (Center Parcs, Sunparks, Pierre & Vacances, Maeva, Aparthotels Adagio, Les Senioriales) on which they depend and in all five countries where the Group operates (France, Belgium, the Netherlands, Germany and Spain). However, for the Aparthotels Adagio brand, only aparthotels located in France are considered. Aparthotels Adagio employees located in Europe and outside France, and those of the Pierre & Vacances Morocco office are not included; these employees only represent 1.7% of the Group's total workforce. Finally, social indicators do not include temporary staff.

For environmental data, the scope of reference covers all of the PVCP Group's operating units at 30 September 2015, but excludes the following: Les Senioriales and Aparthotels Adagio in Europe but outside France. Indeed, for Les Senioriales brand, water and energy use are not monitored by the Group. In those sites, Pierre & Vacances-Center Parcs offers many services. But the Group acts as a real estate developer and not as the site operator. For Adagio, the internal tool used to collect water use and energy consumption data is not able to process contracts and tariffs that are specific to European country outside France. Those exclusions represent in 2014/2015 only 1.3% of the Group's total accommodation capacity (in number of beds).

Sites that joined the Group or new legal entities established during the reference year are included (with the exception of specific cases mentioned for each indicator) and sites that have been sold or closed down have been removed.

Find the details of indicator in the CSR reporting on www.groupepvcp.com, section Sustainable Development.

5.2 OUR SOCIAL RESPONSIBILITY

5.2.1 HUMAN RESOURCES AT THE HEART OF THE GROUP'S PERFORMANCE

The seasonal nature of the tourism business, the geographical distribution of our 12,500 employees across five countries and the diversity of our business activities create specific challenges in terms of human resources such as employment flexibility and mobility.

Therefore, the Group must include these challenges in a dynamic human resources policy that protects its human capital and the specific expertise developed over the years, in order to pursue the shared objective of all departments: customer satisfaction.

In order to steer human resources management, members of the Executive Committee and management committee of each brand are involved in the strategic decisions of the Human Resources Department. Since 2013, major restructuring of the HR function has been ongoing within the Group to best meet operational needs, while playing an active role in reflection and future challenges for the Group.

For 2014/2015, the focus was on four priorities: managerial development, employee integration and training, talent management and employee well-being.

5.2.2 BUSINESS LINES AND JOBS

5.2.2.1 THE GROUP'S BUSINESS LINES

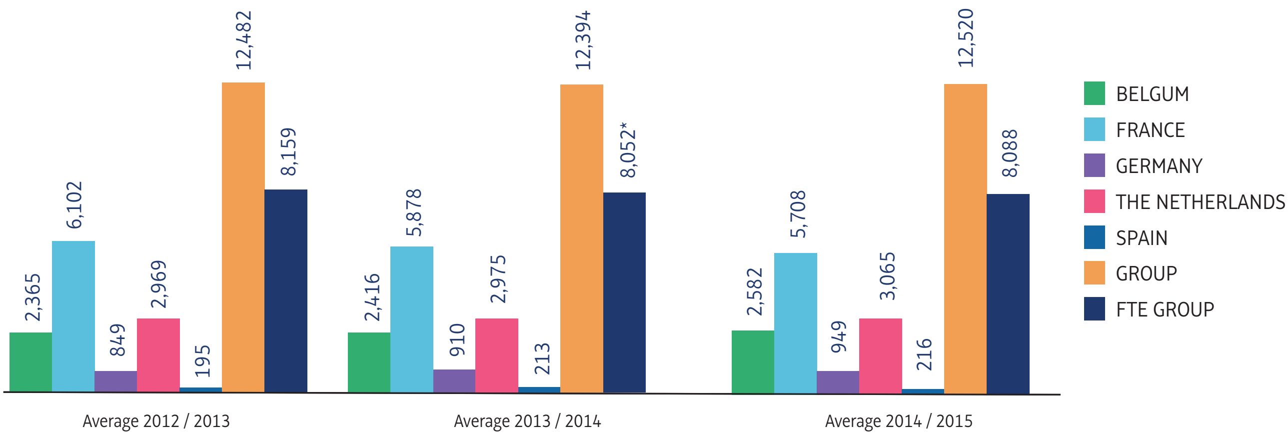
The different business lines are:

- the tourism operation businesses: welcome, reception, technical, security, cleaning, pool maintenance, site management, operational control and catering (although there are few employees in this latter category, as catering is subcontracted at the larger sites);
- business functions and customer relations;
- support functions: finance, general services, security, sustainable development, IT, purchasing, legal, human resources; communication;
- property development: property development and marketing, property sales and management and owner relations.

Key employment figures within the Group

Employee numbers remained stable across the Group over the financial year. Average annual full-time equivalent staff totalled 8,088, 66% of which were women as of 30 September 2015.

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



* Data adjusted for Germany (FTE number reviewed).

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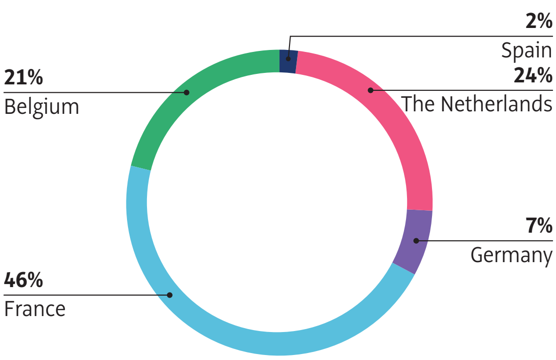
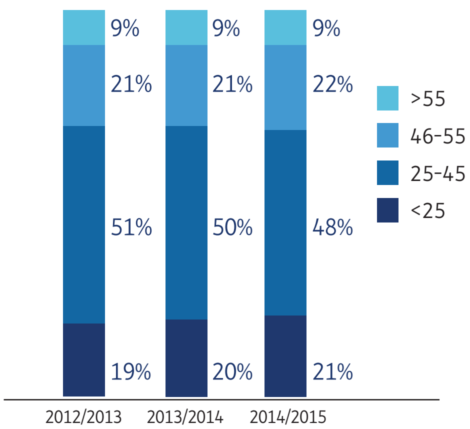
Breakdown of employees by country (annual average)



Breakdown of the employees present at 30 september 2015 by age group



Headcount at 30 September 2015

Country	30 September 2013	30 September 2014	30 September 2015
Belgium	2,535	2,522	2,785
France	4,962	5,449	5,374
Germany	926	936	972
The Netherlands	2,963	3,004	3,057
Spain	223	272	241
GROUP	**11,609**	**12,183**	**12,429**
GROUP FTE	**6,994**	**7,760**(1)	**7,790**

(1) Data adjusted following changes to the employee work rate in Germany.

The Group's employment model

The specific features of the tourism sector include heightened sensitivity to economic fluctuations, a strong seasonal influence due to school holiday periods and last-minute bookings which increase in number every year. All of these factors steer our employment models towards greater flexibility provide us specific responsibilities in terms of human resources management.

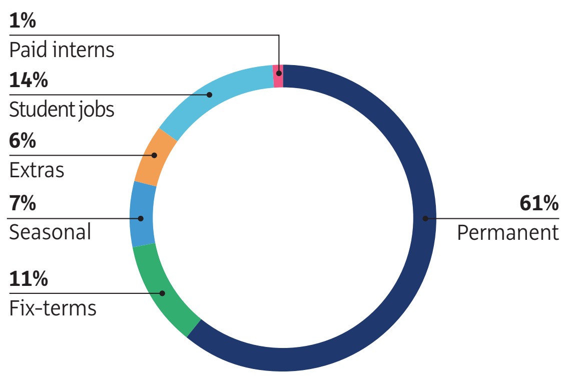
To enable its customer service to be sufficiently flexible, the Group makes use of fixed-term contracts, seasonal staff, extra staff and students in addition to its permanent employees. The work offered to these staff categories fit their skill sets and help enhance their professional training and improve their employability.

The organisation of working time also consists of meeting the specific needs of the tourism operating business. Under this framework, part-time workers are needed for some business lines, such as cleaning, and these positions are mostly filled by women (78%). Furthermore, in certain countries such as Germany, part-time contracts specifically attract women. Part-time workers obviously enjoy the same social benefits as full-time employees within the Group.

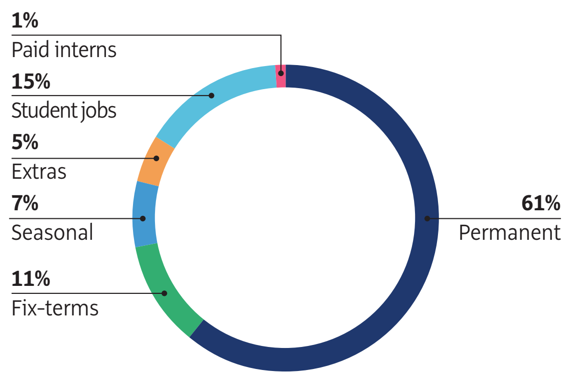
Finally, HR practices at the sites are regularly monitored and audited internally by a team dedicated to each geographical area to ensure that the statutory and contractual provisions of each country are being adhered to.

Breakdown of employees at 30 September 2015 by contract type

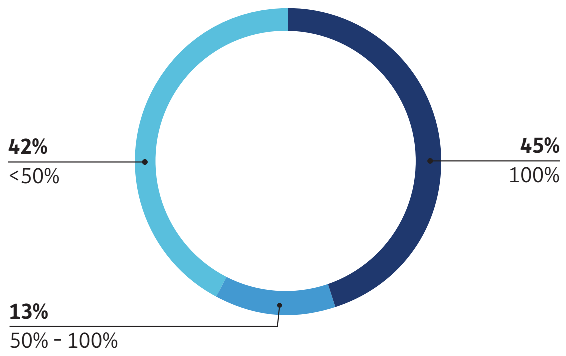
2013/2014



2014/2015



Breakdown of contracts by rate of activity



5.2.2.2 THE GROUP'S RECRUITMENT POLICY

Our recruitment policy is designed to capitalise on in-house know-how and skills. The Employment Committee is chaired by the Group's Human Resources Department, and examines the consistency of recruitment applications for permanent and fixed-term positions of over six months, giving priority to internal applications. During the 2014/2015 financial year, out of 1,041 new staff recorded by the Employment Committee, 24% came from internal transfers (31% in 2013-2014).

Furthermore, a digital recruitment strategy is underway on social media (LinkedIn, Viadeo, Facebook, Twitter). These platforms have become essential to boosting the Group's visibility and attracting the best candidates.

Staff turnover

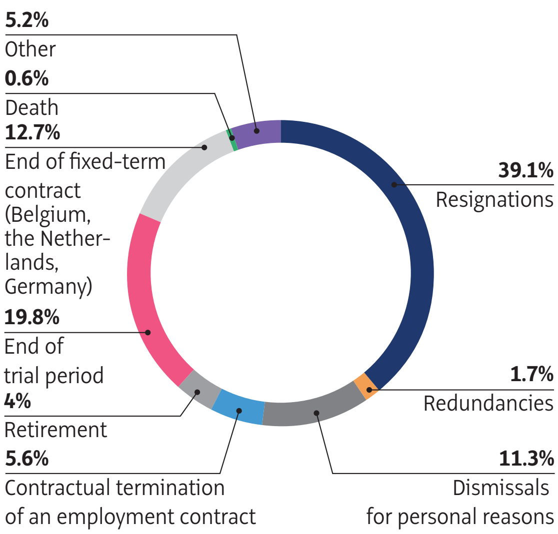
In 2014/2015, turnover was 16.8%, a slight increase compared with 2013/2014, when it was 15.5%. This increase stemmed from the opening of Center Parcs Bois aux Daims. Each opening requires a new team to be assembled and traditionally results in a high level of turnover.

It is essential to point out that this turnover rate at the Group level is due to movements in cleaning services at Center Parcs since almost 49% of resignations and 76% of end of trial periods stemmed from these services at the Group level.

Turnover	2012/2013	2013/2014	2014/2015
Number of new staff	1,911	1,383	1,767
Number of departures	1,906	1,737[(1)]	1,715
TURNOVER RATE	**18%**	**15.5%**	**16.8%**

(1) Data adjusted for Germany.

Breakdown of departures by reason in 2014/2015



Local recruitment: a priority

The latest Center Parcs, the Domaine du Bois aux Daims, opened in the Vienne region late June 2015, near Loudun. The site, which has over 800 cottages, is expected to attract around 400,000 visitors per year, and should ultimately generate 600 full- or part-time jobs.

This new Center Parcs is located in an area away from the region's main tourist destinations, and a high level of partnership with local employment associations (*e.g.* Mission Locale, Pôle Emploi) was required prior to the opening. The recruitment process began two and a half years ago. In total, 6,500 applications were received and 3,146 people attended group information sessions.

Center Parcs favoured employment of local jobseekers and recipients of basic welfare benefits thanks to training initiatives organised and jointly-financed particularly with Poitou-Charentes regional authorities, or *via* recruitment methods based on specific role play situations instead of professional experience and diplomas (such as simulation-based recruitment, etc.). On 17 August 2015, out of the 496 jobs created at the Center Parcs Domaine du Bois aux Daims and all of its partners (around 420 FTE), 74% were filled by jobseekers (54% of them long-term unemployed). Furthermore, 70% were permanent contracts and 71% were full-time contracts. In addition to the 496 jobs, there were 71 temporary contracts. As such a total of around 570 positions were created. Finally, 46% of those recruited (excluding temporary workers) were from Vienne and the surrounding departments (25% from Maine-et-Loire, 15% from Deux-Sèvres and 12% from Indre-et-Loire).

Today, the Pierre & Vacances-Center Parcs Group is therefore one of the main employers in the Vienne department, breathing new life into the local economy and developing the region's tourism sector.

5.2.3 MANAGERIAL DEVELOPMENT – AT THE HEART OF OUR PERFORMANCE

Convinced of the importance of managerial roles within the organisation, the Human Resources Department continued its "managerial path" project in 2014/2015. Its aim is to enable managers to fully play their roles as leaders, coaches and agents of change. The programme is based on five main areas: defining managerial values, creating a community of managers, training and coaching sessions, a communication platform, and performance interviews.

5.2.3.1 THE B-COMMUNITY, A MEANS OF CIRCULATING VALUES

The Group's values

A common base of managerial values has been defined for the Group (called B-CORE) focused on customer satisfaction and team conduct. This was presented to and circulated among top managers (200 managers, including members of the Executive Management and the Executive Committee) during the 2014/2015 financial year.

The B-Community

The B-Community is a community of managers set up especially to facilitate collaboration, improve manager recognition and develop a shared managerial culture. It also means that managers can be relied upon to efficiently pass on the Group's key messages to teams. This community is being built gradually by holding shared events and developing shared tools: annual seminar, toolbox, strategic think tanks, etc.

A leadership and management training programme

In line with the B-CORE managerial values, a far-reaching leadership and management training programme has been delivered to the Group's 150 top managers, including members of the Executive Management and the Executive Committee. It is to be reinforced and extended over the next financial year (2015/2016) to other management levels. Individual coaching sessions have also been implemented.

Communication platforms

New communication methods have been developed, such as the internal collaborative digital platform known as "Yammer", a user-friendly space for interactive dialogue on which managers can create groups, share their ideas and discuss various matters. Webinars and videos on all the key themes are recorded and posted regularly on this platform.

5.2.3.2 PERFORMANCE EVALUATION INTERVIEWS TO HELP CAREER MANAGEMENT

Evaluating performance is key to the managerial role. The evaluation process to be applied across the whole Group continues to be formalised this year and manager training sessions were set up. As such, managers were able to turn valuation interviews into real career management tools, associated with mobility and skills development. In 2014/2015, 95% of the employees involved had an annual performance interview. This professionalisation effort is to be maintained and developed further in 2015/2016.

5.2.4 TALENT DEVELOPMENT

5.2.4.1 MANAGING TALENT TO PREPARE FOR THE FUTURE

Against a backdrop of a "talent war" caused by the over-specialisation of certain roles and an economic situation undergoing profound change, background work on managing high-potential employees took place in 2014/2015. The aim is to boost the loyalty of these employees by helping them to develop and to gradually encourage them to achieve better performance levels.

In addition to supporting managers (see 5.2.3.1) and providing training (see 5.2.4.2), the focus this year was on internal mobility *via* dedicated committees in each geographical area (France, Belgium, the Netherlands and Germany). These committees act as internal bridges, enriching the career paths of our employees.

5.2.4.2 TRAINING, A PRIORITY

Training is a key part of our HR policy, and the Group intends to continue developing it. The training policy was defined in the last financial year and has been rolled out in a process directly linked to the customer experience. Five priority areas were identified.

- **The service approach** focusing on the following: hospitality, complaints management, the customer relationship and cleaning protocol.
- **Sales** to attain our business objectives.
- **Business line expertise,** especially to integrate new digital and web marketing skills.
- **Health and safety,** to protect both our employees and our customers.
- **Leadership and Management: B-CORE** (See 5.2.3.1).

In 2014/2015, half of our employees attended at least one training session at the Group level.

Training

	2013/2014	2014/2015
Total number of training hours	91,941	85,383
Average number of training hours per employee	14.5	13.21
Proportion of employees trained	51%	52%
Share of women among trained employees	66%	65%
Training budget	€3,186,669	€2,779,711

Note importantly that the share of employees trained increased very slightly to the detriment of the number of average hours per employee. This was due to the focus placed on cleaning services at Center Parcs with the roll-out of shorter flash training sessions (half-day) concerning more employees. In addition, a large number of training sessions were provided when the Center Parcs Domaine du Bois aux Daims was opened but these were not valued in the hours and costs associated since they were shouldered directly by Pôle Emploi (unemployment authorities) and the Agefos SMEs. Finally, a highly innovative digital application was also developed for the Center Parcs teams. Called App@Work, this helped Center Parcs' employees that have no professional email to access information about the Group and the brand as well as simple and efficient elearning training sessions at a low cost.

5.2.5 LISTENING, COMMUNICATING, OPEN DIALOGUE

5.2.5.1 MEASURING AND IMPROVING EMPLOYEE WELL-BEING

Employee well-being and commitment are of prime importance to the Pierre & Vacances-Center Parcs Group: the satisfaction of our employees has an impact on the satisfaction of our customers. In this respect, the Human Resources department is working to improve employee well-being to boost daily commitment and ensure that our staff provide a high quality service.

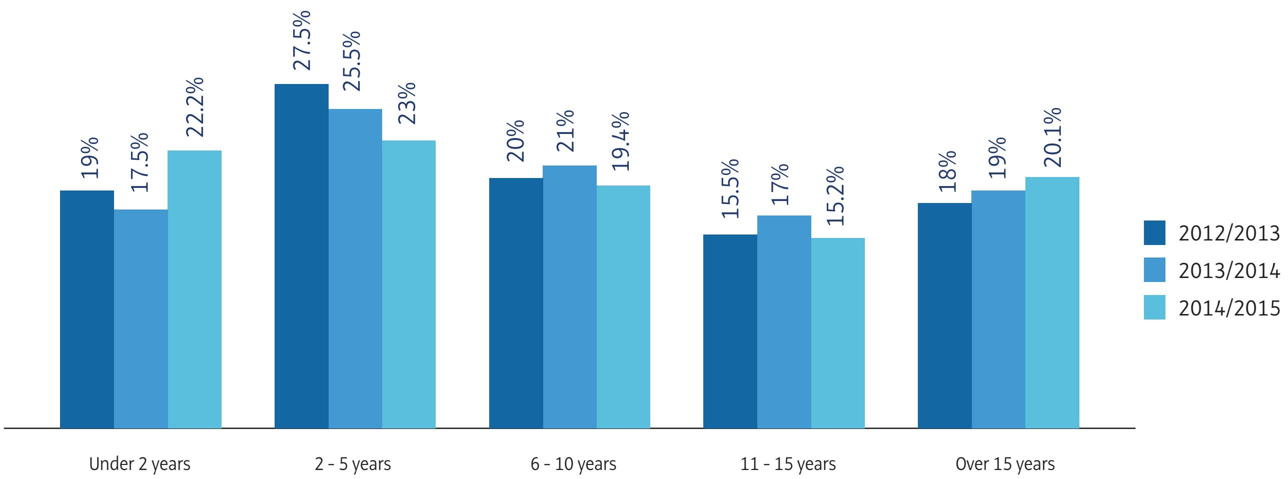
A satisfaction survey, Happy@Work, was carried out with all Group employees based on eight themes (such as overall satisfaction, customer focus, integration and working conditions, etc.). With an overall participation rate of 63%, it helped highlight the strengths on which the Group can rely, such as solidarity and team spirit (97%), friendliness and respect among colleagues (99%) and with managers (94%), and the pride of belonging (95%).

Action plans are now being formulated and are beginning to be rolled out. Their implementation is to continue during 2015/2016.

Absenteeism, better understanding leads to better control

Absenteeism is a strategic indicator for human resources management. In 2014/2015, the absenteeism rate was 6.8%, a very slight increase on last year (6.5%). A study was launched in September to identify the most affected departments and to draw up an action plan that is to be rolled out from 2015/2016.

Breakdown of the employees present at 30 september 2015 by years of service



Another company well-being indicator is the amount of time served with the Group. This shows a degree of loyalty since just over a third of employees have been with the Group for 11 years or more.

5.2.5.2 INTERNAL COMMUNICATION, CREATING LINKS

With geographically dispersed sites, a consistent strategic vision needs to be circulated, while providing personalised information for each country and brand name. An intranet standardised at Group level has been rolled out in all countries to deliver a consistent message and keep all employees up to date about projects.

Efforts are taken to establish a link between the teams using digital tools (mobile app, newsletter, internal social network for top managers). In addition, two roadshows organised this year for the Pierre & Vacances and Center Parcs brand enabled the management committees of each brand to go out and meet employees on site in order to share with them the vision, the strategy and also future challenges.

5.2.5.3 DEVELOPING CSR CULTURE INTERNALLY

Raising awareness about the Group's CSR priorities continued during the financial year. During the overhaul of the intranet, the entire sustainable development section was reviewed. The Group's CSR approach is also systematically presented in the integration modules of new employees, and teams from the sites involved in ecolabels (Green Key certification for Pierre & Vacances residences, the EU Ecolabel for Aparthotels Adagio) were made especially aware.

5.2.5.4 EMPLOYEE RELATIONS AND COLLECTIVE AGREEMENTS

The Group respects freedom of association and the right to collective negotiation in the countries where it operates. Around 670 meetings were held with staff representatives across the Group during the 2014/2015 financial year. The Group is keen for constructive social dialogue to flourish, this being a mark of quality employee relations. Staff representatives are regularly informed, consulted and involved in the main decisions taken.

The Group works with staff representatives in every European country where it is present and adheres to national labour legislation. A European Works Council (CEE), with representatives of each country meets at least twice a year.

Finally, the Group complies with the labour standards of the International Labour Organization (ILO). The Group – excluding Aparthotels Adagio-has 99.99% of its operations in the European Union, where employment regulations are well-developed *via* democratic parliamentary systems. Further, social audits are performed on tier one suppliers in countries identified as high risk by the Business Compliance Initiative, such as China, to ensure compliance with international employment law standards.

5

List of collective agreements in force

Agreements	Scope	Year of signature	Duration of validity
GPIEC – Action plan on strategic workforce management[1]	Supports economic and social unit (UES) and S.I.T.I.[2]	2014	3 years as of 03/06/2014
Teleworking	Supports economic and social unit (UES) and PVCI[3]	2008	Unspecified
Gender equality	France excluding S.I.T.I. and Les Senioriales	2013	Unspecified
Disability	France	2015	Three years
Employee profit-sharing	France	2012	Unspecified
Organisation of working time	France except Aparthotels Adagio	2015	Unspecified
Method agreement on psychosocial risks	Tourism economic and social unit (UES)	2010	Unspecified
Electronic vote	Tourism economic and social unit (UES) and PVCI	2015	Unspecified
Action plan on hardship at the workplace	Pierre & Vacances France and Aparthotels Adagio France	2012	Three years
Collective Labour Agreement concerning the tourism sector	Events employees in theNetherlands	2015	Until July 2016
Collective agreement on the organisation and structure of social partners (trade unions and staff representatives)	Belgium	2015	Four years
Mercer CZ Assurance Santé	The Netherlands	2009	One year renewable each year
Mutuelle Aegon WIA[4]	The Netherlands	2009	One year renewable each year
Pension scheme	The Netherlands	2015	Three years
Digital lunch vouchers	Belgium	2013	Unspecified
Temporary unemployment	Belgium	2012	Unspecified

(1) *Gestion Prévisionnelle Intergénérationnelle des Emplois et des Compétences.*
(2) *Société d'Investissement Touristique et Immobilier.*
(3) *Pierre & Vacances Conseil Immobilier.*
(4) *Law on labour and social revenues depending on working ability.*

5.2.6 PROVIDING A SAFE WORKING ENVIRONMENT

The safety of our employees and of our customers are closely linked. This is a major priority area for the Group and is led by Human Resources and the Operational Risk department.

For Pierre & Vacances France

Each site has a safety officer at the registered office, for all risk areas identified for the brand – these could include: legionella, private and public swimming pools, health and safety at work, fire safety, leisure activities and crisis management. "Prevention and Safety" procedures were overhauled during the financial year, using the OHSAS system. A new risk analysis tool, contained in dedicated software, was also implemented. The tool can be used to perform a risk analysis and produce a "Unique Document" (risk report) for each site. Finally, like each year, to ensure maximum safety for our customers, prevention and safety training sessions have been delivered to all area managers and technical managers.

The decline in the number of accidents noted over the year stemmed primarily from Pierre & Vacances France. Indeed, following the reorganisation of the Prevention and Safety department started in 2013, an Operating Risk Manager for Prevention and Security France has been nominated.

Three regional correspondents represent this manager on the ground and ensure the smooth roll-out of the procedures defined at the brand level. Audits are systematically performed on the residences and related training sessions implemented.

For Center Parcs Europe

The Operational Risks Department has evolved from a centralised organisation to a country-based organisation. A Risk Manager has been appointed for each country. This enables us to be more attentive to needs and changes in local laws and regulations.

The process for managing operational risks is based on ISO standard 14001. It focuses on six risk areas, linked to the specific characteristics of each brand name: fire safety, hygiene of drinking water, food hygiene, safety of activities which are high-risk to customers, prevention in terms of swimming pool safety and hygiene and employee health and safety.

Safety at work

	2012/2013	2013/2014	2014/2015
Frequency rate of workplace accidents	37	26.47[(1)]	22
Severity rate of accidents	1.2	0.9	0.5

(1) Data adjusted following improvements to the method for calculating hours worked.

5.2.7 DIVERSITY AND EQUAL OPPORTUNITY

5.2.7.1 A TRANSPARENT AND FAIR REMUNERATION POLICY

Remuneration and employee benefits are a source of leverage for improving performance.

Continuing the coherency efforts started in the previous year, remuneration is assessed in view of staff performances after prior validation by the Remuneration and Employee Benefits department set up in the HR division during the year. This stance helps professionalise our approach and offer remuneration levels in line with the market, individual performances and potential of our staff. During 2014/2015, fundamental work was also started on variable remuneration for employees whose business has a direct impact on revenues. In addition, target-based bonus payments were clarified and standardised for all employees: coordinated by the HR teams, the process implemented responds to clear and fair allocation rules common to all employees where the Group operates.

Staff costs totalled €307,874,000.

5.2.7.2 DIVERSITY AND EQUAL OPPORTUNITY AT WORK

The diversity of our employees is an asset. It represents the diversity of the customers we welcome to our sites.

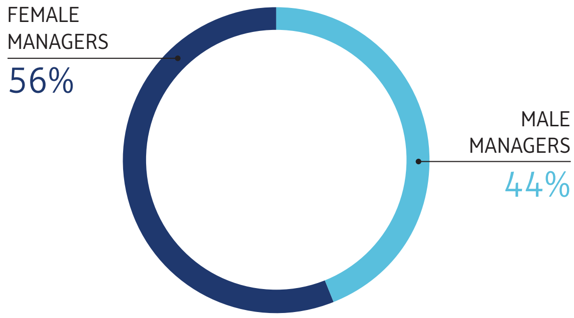
Gender equality

Women make up 66% of employees, and the proportion of women in management roles (56%), has remained stable over the last few years.

Women account for 65% of all employees trained, which reflects the proportion of women within the Group staff as a whole.

To formalise its commitment to maintaining gender equality, the Group signed a workplace gender equality agreement for its French operations in February 2013.

Proportion of women in management roles at 30 September 2015



Disability

Since 2005, the Group has been taking specific action to promote the employment of workers with disabilities and keep them in work. This approach, formalised in collective agreements, was strengthened in 2012 by the implementation in France of a Group Disability agreement, which was renewed this year for three years.

The Disability Taskforce is implementing a proactive policy based on information and awareness-raising initiatives (e.g.: company theatre, conferences on handisport) but also specific actions in response to the problems faced by the different entities. This year, these actions were focused on changing the way disabilities are viewed. Moreover, a network of disability representatives (HR managers; hygiene, safety and working conditions committee; members of the disability commission) has been formed to optimise roll out of the policy locally.

Figures for the financial year show an 8% increase in the number of workers with disabilities within Pierre & Vacances France compared to the previous financial year, taking the proportion of workers with disabilities to 3.3%.

Disability

	2012/2013	2013/2014	2014/2015
Proportion of employees recognised as disabled	1.0%	2.0%	3.4%
Number of employees with disabilities during the year	164	183	191
Number of employees recognised as disabled workers recruited during the year	36	34	43
Number of adaptations of the working environment for employees with disabilities	8	11	4

5.3 OUR ENVIRONMENTAL RESPONSIBILITY

Water and energy use and waste generation are the main areas of concern in the operation of our residences, domains and aparthotels. As such, right from the design phase of our sites, we take specific measures by choosing high-performance equipment and building materials. In the operational phase, we strive to manage water and energy usage *via* precise monitoring and adapted procedures, and by directing investment spending. In terms of waste quantities, these are monitored on sites where the data is available, in order to steer volumes.

5.3.1 OUR ENVIRONMENTAL MANAGEMENT

5.3.1.1 A KEY YEAR FOR OUR BEST! INTERNAL MANAGEMENT SYSTEM

The Sustainable Development department implemented the BEST! (Be Environmentally and Socially Tremendous!) internal management system in 2010 to manage the environmental performance of the sites operated by the Group. BEST! is based on the "PDCA" (Plan, Do, Check, Act) principle. Site Directors perform this self-evaluation annually on 16 priority areas of the tourism business (management of water and energy use, sorting and waste reduction, team awareness, local purchases, etc.). The BEST! management system is based partly on internal procedures and gives rise to an action plan to implement over the year. As such, it helps site Directors to mobilise their teams for precise actions in terms of equipment maintenance, monitoring water and energy use and managing waste.

Furthermore, the BEST! self-evaluation gives the Sustainable Development and Operations Management department a yearly overview of the site performances and commitment levels (by brand, area and country). It also gives a summary of good practice implemented on certain sites.

2014/2015 was a key year for the BEST! internal management system. Work began to completely overhaul the system, adapting it more closely to the specific features of each brand and offering an online tool better anchored in the daily life of the sites. Efforts were also made to make the BEST! system work better with the other tools implemented by the strategic Support department and ensure compliance with environmental certification requirements. As such, the Sustainable Development team focused purposefully on defining this new tool and spent less time reminding the sites to fill in the questionnaire. The 2014/2015 campaign was therefore the last one to take place under the current format. It had a response rate of 50% (120 sites out of 241), all brands together (including Maeva Multi), a decrease compared to the previous campaign (78%). Moreover, since the Aparthotels Adagio sites joined the Planet 21 strategy by AccorHotels (see 5.3.1.2), the BEST! scope shrank from 325 sites in 2013/2014 to 241 in 2014/2015.

5.3.1.2 ECO LABELS AND ENVIRONMENTAL CERTIFICATIONS

The Group has been committed to ISO 14001 certification for its Center Parcs sites since 1999, to Green Key certification for certain Maeva and Pierre & Vacances residences since 2010, as well as the EU Ecolabel for Aparthotels Adagio since 2011. To date, 30% of the holiday residence portfolio has an environmental certification or an eco label.

Setting ourselves apart and boosting appeal

The labelling and certification approach, based on stringent standards and audit visits, helps to improve the environmental performance of the sites. Accreditation by an external third party also makes these labels and certifications clear and credible communications tools for customers attesting to the actions undertaken. They also help to set us apart in the eyes of certain professional customers who may require for example an eco label for their hotel purchases or seminar bookings.

Although the general public is not always aware of some of these labels, the commitment of a Group such as Pierre & Vacances-Center Parcs is helping to spread the word.

Progress across all brands

In 2014/2015, the certification and labelling approach progressed for each of the brands.

Green Key/certification: Pierre & Vacances and Maeva

In 2015, the Green Key certification was renewed for all sites already certified, and two additional sites obtained it for the first time, bringing the number of eco-certified Pierre & Vacances, Maeva and Center Parcs France residences to 46.

Furthermore, five new Pierre & Vacances premium residences were audited by the Green Key teams in 2015 and are due to obtain their certification in 2016. The aim to achieve certification for all Pierre & Vacances premium sites in mainland France by 2018 is still in place (45% of sites in 2014/2015).

Moreover, almost all residences with the Green Key label have been recognised as Ecoleader by TripAdvisor's GreenLeaders programme.

ISO 14001/Center Parcs

19 Center Parcs domains, *i.e.* all Center Parcs except the latest Domaine du Bois aux Daims are ISO 14001 certified. The certification for all sites was renewed in 2014. It is awarded for three years, but surveillance audits are carried out on a third of the sites (seven sites in 2015) every year.

Over the next financial year, the Center Parcs Bois aux Daims will be audited to join the certified sites. As the new version of the standard (ISO 14001: 2015) has just been published, Center Parcs Europe will gradually incorporate the new requirements and implement them for the 2017 recertification process.

EU Ecolabel/Adagio

The Aparthotels Adagio brand has continued its environmental certification strategy by obtaining the EU Ecolabel for two new sites, bringing the rate of aparthotels certified in France to 68%. The target of achieving certification for 60% of Aparthotels Adagio France by the end of 2015 was therefore delivered, despite the withdrawal from one of the brand's certified sites. The strategy will continue in 2016 with new aparthotels applying for certification.

Furthermore, to ensure better visibility of the brand's actions, particularly outside Europe, the sustainable development approach is now managed according to AccorHotel's Planet 21 guidelines. The Aparthotels Adagio teams remain responsible for managing the actions.

5.3.2 SUSTAINABLE USE OF WATER AND ENERGY RESOURCES

5.3.2.1 MANAGING USAGE OF RESOURCES BY THE SITES

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

For Pierre et Vacances Europe

For Pierre & Vacances France and Aparthotels Adagio (209 sites)

Usage is managed by the ICARE internal tool. A dedicated Strategic Support team based at the head office monitors water and energy consumption at the sites, performs budget reconciliation and analyses differences. It also supports regional maintenance managers in producing assessments and alerts them in the event of abnormal, unexplained changes. On site, technical managers are responsible for reading meters, and monitoring energy usage, with their regional officer.

For Pierre & Vacances Spain (22 sites)

Usage is monitored for each site. The Maintenance Department Manager in Spain consolidates and monitors volumes every month using data collected to identify abnormal differences.

For Center Parcs and Sun Parcs (24 sites)

Under the framework of the ISO 14001 certification, Center Parcs teams have set themselves the target of reducing the energy used by the sites by 20% by 2020 (base 2010) – a 13% decrease in usage per week of occupancy has already been recorded in 2015; and to reduce water use compared with 2015 by 10% by 2020 (base 2010).

An expert monitors water and energy use for all parks and consolidates the data on an overall European scale. The expert devises action plans in response to the performances observed. Working in close partnership with an officer on each site, the expert ensures the implementation and necessary adjustment of data collection procedures, usage and cost management, and makes investment plans by improving systems performance.

Change in consumption

For the Pierre & Vacances Europe sites

There was a slight fall in total energy consumption of 3% at Pierre & Vacances Europe, to a lesser extent than weeks of occupancy (down 4.5%) and the decrease in the number of apartments in this scope (7%). This was due to many factors, such as the new Pierre & Vacances France residences offering many top-end services (sauna, swimming pools, etc.), and the replacement of equipment (*e.g.* air conditioning) at Aparthotels Adagio. Electricity consumption slightly decreased in Pierre & Vacances France and Aparthotels Adagio. Meanwhile use of gas and urban heat increased, as the newly included residences are heated in this way.

In terms of the ratio by week of occupancy, a slight increase of 2% was noted in energy consumption and a decline of 1% in water consumption. While this ratio helps provide a general trend from one year to the next, it remains difficult to interpret for the entire scope of Pierre & Vacances Europe. Indeed, this ratio is based on overall water and energy volumes consumed over the site as a whole (accommodation, swimming pools, restaurants, garden areas, etc.). As such, external factors can affect it, for example, watering of garden areas during the summer period when temperatures were higher than the previous year. Furthermore, periods during which the sites have yet to be marketed or are de-marketed, water and energy consumptions are recorded (to complete works or for maintenance purposes) and this also deteriorates the ratio.

In Spain, the increase in usage over the period was mostly due to the increased occupancy rate.

For Center Parcs and Sun Parcs

In 2014/2015, there was an increase in the total volume of energy (+5%), as the scope grew from 23 to 24 sites with the opening late June 2015 of the Center Parcs in Vienne and the degree-day during the period was 12% higher than the previous year. The energy use ratio per overnight stay remained constant, coupled with an occupancy rate up by 3%. Moreover, there was a significant increase in fuel use, mainly caused by technical problems at the Vielsam site in the Ardennes, and a slight increase in gas use due to the increase in degree days. As for wood heating systems, the facilities at the Domaine des Trois Forêts experienced technical problems, which meant that usage fell this year, with some needs being covered by gas.

There has been a drop in usage of over 2% per year over the last four years. These targets were attained by improving the data fed back to the energy expert (*e.g.* implementation of a standard procedure, meters read on set days and at set times...) and by making logical investments, such as replacing over a quarter of boilers in European cottages in 2014/2015.

Water use in 2014/2015 for all Center Parcs and Sun Parcs increased very slightly this year (3%). The ratio of water use per overnight stay slightly fell.

5.3.2.2 MONITORING AND OPTIMISING ENERGY USE MANAGED BY THE GROUP

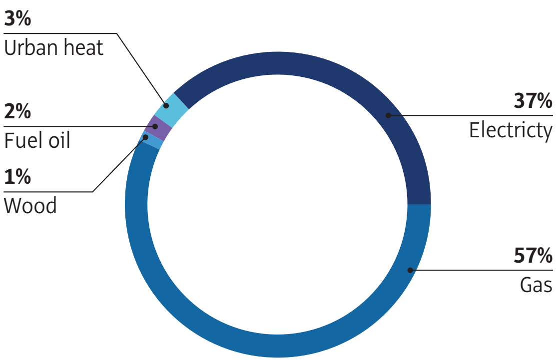
To make the monitoring of water and energy use by Pierre & Vacances Europe more precise, since the 2013/2014 financial year, the Group has been separating water and energy use for which it is directly responsible from that over which it has no influence (*i.e.* usage for which co-owners without a management contract with the Group are responsible). As such, the volumes set out in the table opposite include the share owned by the group for each site. In addition, water and energy volumes stem from monthly meter readings, and the relevant departments perform budget reconciliation against the bills (management control or finance manager).

Summary of water and energy use

Total volume of water and energy used by the sites, managed by the Group	2013/2014 Center Parcs Europe	2013/2014 Pierre & Vacances Europe	2013/2014 Group[1]	2014/2015 Center Parcs Europe	2014/2015 Pierre & Vacances Europe	2014/2015 Group[1]
Number of sites included in the scope:	23	258	281	24	231	255
TOTAL WATER (m^3)	**3,076,464**	**2,673,581**	**5,750,045**	**3,161,145**	**2,431,173**	**5,592,318**
Volume of water (m^3)/week of occupancy[2]	5.85	3.20	4.22	5.82	3.13	4.24
TOTAL ENERGY (IN MWH)	**597,594(3)**	**211,146**	**808,740**	**614,125**	**201,808**	**815,933**
Volume of energy (kWh)/week of occupancy[2]	1,136	253	594	1,130	260	618
Electricity (MWh)	141,366	172,216	313,582	145,623	155,958	301,582
Gas (MWh)	438,714	13,776	452,491	450,968	15,244	466,212
Wood heating systems (kWh)	13,541	0	13,541	1, 623	0	12,623
Fuel oil (MWh)	3,972	7,990	11,962	4,910	9,423	14,334
Urban heat (MWh)	0	17,159	17,159	0	21,182	21,182

Scope:
(1) Sites excluded: Aparthotels Adagio located in Europe and outside France (i.e. 1.2% of the Group's total accommodation capacity in 2013/2014 and 1.3% in 2014/2013).
(2) Week of occupancy: one week's stay, irrespective of the number of people and the type of apartment or cottage.
(3) Data of electricity consumption corrected for Center Parcs Bostalsee and for the volume of wood used at Center Parcs Domaine des Trois Forêts.

Breakdown of the volume of energy managed by the Group by type of energy



5.3.2.3 FAVOURING THE USE OF RENEWABLE ENERGY

When developing new projects, the installation of renewable energy equipment is systematically considered. At the Domaine du Bois aux Daims opened in late June 2015 in Vienne, for example, the roofs of the main car park were covered with solar panels with capacity of 400KWh/year. At sites under operation, the main brake on developing renewable energy stems from the fact that the Group does not own the buildings.

However, the Group has a proactive approach to source electricity from suppliers guaranteeing power from renewable energies (100% for the Netherlands and Belgium and 30% for Germany).

In addition, the Aparthotels Adagio carrying the EU Ecolabel offset 50% of their consumptions by purchasing Green Certificates.

5.3.2.4 TAKING INTO ACCOUNT LOCAL CONSTRAINTS IN TERMS OF WATER STRESS

Work on identifying water-related risks has been undertaken. A map created with the help of the Aqueduct tool by the World Resources Institute helped locate the operating regions relative to physical risks in terms of quantity. This helped identify the sites managed by the Group located in the most sensitive areas (the level of vulnerability is measured on a scale of 1 to 5). One site is located in a level 5 vulnerability region, while 17 sites (located in Spain, Belgium, Martinique and mainland France) are in level 4 regions. In addition, taking into account only water stress, 14 sites (10 of which in Spain) are located in level 5 areas. Moreover prefectural or local authorities decrees (ban on watering gardens, etc) are obviously respected by the residences concerned.

5.3.3 RESPONSIBLE WASTE MANAGEMENT

The tourism business generates waste. To promote waste sorting and recycling, the Group is raising awareness among its teams and customers, mobilising its partners (notably catering partners) and provides waste sorting bins on its sites. There are also strict safety rules on the management of hazardous waste generated by operations.

For Pierre & Vacances Europe sites

Non-hazardous waste is removed by local council services, which do not weigh the containers before emptying them. As such, volumes of waste generated cannot be provided. However, action is underway to encourage sorting. All sites have specific sorting containers, in accordance with local council sorting regulations. Additionally, some sites with adapted kitchens in the apartments have dual sorting bins. On other sites, a test took place this year with the introduction of sorting bags offered to customers. This system will be rolled out next year across a wider scope to encourage customer involvement.

For Center Parcs and Europe and Sunparks

Waste volumes can be monitored and managed as private companies are responsible for removal. The volume of waste and the costs generated are therefore monitored for each domain on a monthly basis and consolidated by the waste expert at European level.

The increase in the total amount of waste is proportional to the number of overnight stays during the 2014/2015 financial year, the ratio of waste generated per overnight stay remaining stable. The average recycling rate, 27.30% for Center Parcs Europe, remains stable. Moreover, the sites with the highest recycling rates are those located in the Netherlands (with a recycling rate of almost 30%) and Germany (over 40%).

Targeted actions have been implemented. For example, this year, a signage project was conducted at the Sunparks De Haan park in Belgium with *Fost Plus,* a foundation which aims to raise awareness about recycling.

Within France, the recycling rate has been identified (excluding waste electronic and electrical equipment – WEEE and used furniture items). For materials recycling this stands at 19.5% of the total volume of waste generated in the five Center Parcs sites in France over the year for materials recovery, and 57.9% for energy recovery. This work is to be continued with the aim of reaching the target set by Center Parcs in line with the European Directive: recycling 50% of waste by 2020.

Working with environmental bodies in each country

The WEEE is managed by the relevant environmental bodies in each country or by the service providers responsible for collecting waste from the sites (notably in Germany) so that it can be processed according to the correct channels and so that recovery can be maximised. For Center Parcs Europe, Sun Parks and Pierre & Vacances France, 79.6 tonnes of WEEE was collected over the 2014/2015 financial year, mostly during site renovations.

Furthermore, for renovations of Pierre & Vacances apartments in the Atlantic region, a partnership was entered into this year with the Eco-mobilier environmental body to collect used furniture disposed of when renovating the apartments: 30.8 tonnes of used furniture was collected and processed *via* the appropriate channels.

Waste production

	2012/2013	2013/2014	2014/2015
Number of sites	23	23	24
Total (in tons)	14,410	15,597	15,871
Recycling rate	29.3%	28.50%	27.29%
Ratio volume of waste produced per overnight stay (kg/night)	0.95	0.98	0.97

Breakdown by waste type

	2014/2015
Non-hazardous industrial waste – unsorted	72.7%
Glass	5.4%
Card/paper	10.1%
Biodegradable waste	10%
Other non-hazardous waste – sorted	1.5%
Hazardous waste	0.3%

Scope: Center Parcs and Sunparks in France, Belgium, the Netherlands and Germany.
Note: the breakdown of waste was reworked this year based on all waste for which the sites are responsible, and based on the European classification. Only the catering waste for which the Group is responsible is taken into account (catering managed directly at the Sunparks sites, and the Center Parcs at Nordseekuste and Eifel).

5.3.4 NEW PROJECTS TARGETING A LIMITED ENVIRONMENTAL IMPACT

For large-scale projects, more than all others, the Group has ambitious targets in terms of design and construction as defined by external benchmarks (Higher Quality Environmental – HQE certification or One Planet Living approach for the Villages Nature project).

The Group's two largest projects this year were Villages Nature and the Center Parcs Domaine du Bois aux Daims.

Villages Nature

Villages Nature is a new European scale tourist destination located close to Paris, the result of the partnership between Euro Disney S.C.A. and Pierre & Vacances-Center Parcs. It will host around 500,000 visitors when it opens at the end of 2017. In 2013, Villages Nature joined the One Planet Communities network with an action plan to meet the targets set by the One Planet programme defined by Bioregional.

The main assets of Villages Nature are:

- 180 hectares of landscaped grounds;
- 916 accommodation units;
- The Aqualagoon (a covered, 9,000 sq.m waterpark) and its open-air 2,500 sq.m lagoon, heated all year round to over 30° C by geothermal energy;
- 15 hectares of lakes;
- shops and restaurants.

While a complete review of the performance reached by the operation is to be prepared at the end of the project, the progress report on the action plan, published in November 2015, shows that the sustainable development targets are well on the way to being reached. This review was submitted to the Sustainable Development advisory board (CCDD) in November (see section 5.4.2.2).

The review for the 2014/2015 financial year on the work done at Villages Nature shows:

- maintenance and monitoring of Aqualagoon's HQE certification and energy efficiency standards with completion of the work on the first accommodations;
- drilling of ground-source wells and installation of the heating network across the whole site;
- low-carbon cement chosen for the Aqualagoon;
- the results of the "Green building" approach with 81.7% of materials waste recycled, and the implementation of a strategy to reuse resources on-site (100% of rubble reused on site and wood from clearing reused to make some of the urban furniture);
- continuing preventive measures to protect species and their natural habitat. In this respect, the wildlife and flora surveys performed this year showed that there was no major difference compared to

the initial status despite the project period (69 protected species in the 2014/2015 review compared with 72 noted in 2010 outside the initial state).

2014/2015 was also a key year with the gradual setting up of the team responsible for operation that is to be continued next year. A few emblematic actions have already been finalised such as the development of the first trading modules in the One Planet Living approach that are to be deployed under the framework of forthcoming recruitments for the operation.

A full report on the state of advancement of the action plan is available on the villagesnature.com project website.

The Center Parcs Domaine du Bois aux Daims project

In 2014/2015, the Center Parcs Domaine du Bois aux Daims project in Vienne was completed.

During the construction phase, as for all new projects, a "Green building" approach was implemented in order to guarantee minimal pollution of ground and water resources, water and energy consumption, limited disturbances and risks for workers and local residents (including noise) and optimised waste management. In this respect the "Green building" charter helped minimise disturbances caused by construction, enabling 97% of waste from the cottages building site to be recycled and recovered.

The cottages and some of the central buildings have been designed with a view to obtaining an HQE certification (*Haute Qualité Environnementale* – High Quality Environmental). The design of the 800 cottages, grouped into hamlets, is focused on a high level of energy efficiency, using specific measures: optimum orientation, optimum-sized windows, good heat insulation and energy efficient technical equipment.

For central buildings, water and energy use are optimised. For the facilities – the bowling alley and the farm – the target is BBC (*Bâtiment Basse Consommation* – low-consumption building) performance level. Additionally, the insulation of Aqua Mundo, the big greenhouse and the spa is efficient thanks to an inflatable EFTE film cover (plastic insulating and translucent coating). A natural ventilation system avoids the use of air conditioning, generating major energy savings in ventilation/air conditioning. Finally, equipment has been fitted such as buffer tanks, enabling storage of water from outdoor swimming pools during the night.

New projects, opportunities to develop our expertise

Finally, each new project is an opportunity for the Group to advance in taking account of environmental challenges. In this respect, and following work on the Center Parcs project in Roybon, the teams developed expertise relative to wetlands, far exceeding regulatory obligations.

Projects delivered in 2014/2015

Projects delivered in 2014/15	Brand name	Number of units	Certification awarded or pending
MOSELLE 3	Center Parcs	46	THPE(1)
LE HAVRE	ADAGIO/ACCESS	111	BBC(2)
PARIS/REUILLY	ADAGIO/ACCESS	113	BBC
NANCY	ADAGIO/ACCESS	110	BBC
MASSY	ADAGIO/ACCESS	121	BBC
DIJON	ADAGIO/ACCESS	106	BBC

(1) TPHE: Très Haute Performance Energétique (Very High Energy Performance standards).
(2) Certification obtained in April 2014.

5.3.5 FIGHTING CLIMATE CHANGE

Transport for our customers and employees (in a very small proportion for the latter), purchasing (including 90% for food) and energy use are the three main sources of CO_2 emissions (according to a 2008 study).

All the actions in place to manage energy use and promote the use of renewable energies help reduce the Group's "energy" carbon footprint (see paragraph Favouring the use of renewable energies). Carbon emissions in 2014/2015 increased slightly, but to a lesser extent than energy consumption.

In terms of food purchases, which account for the highest share of CO_2 emissions associated with purchases, even though works is underway on these subjects, the Group has no direct influence since catering is subcontracted for all Center Parcs and Pierre & Vacances sites offering this service.

Meanwhile, CO_2 emissions from transport are a major challenge for the tourism business and contribute massively to climate change. Developing local tourism is therefore one way to reduce the carbon impact of journeys made by holidaymakers in view of the short distance to be travelled by our customers, and by using transport, which generates less carbon (train, car). At the Pierre & Vacances-Center Parcs Group level, measures are being taken in this respect: for certain destinations, and depending on the season, a shuttle service is offered in conjunction with partners, from the closest railway stations, as an alternative option to cars. Customers are also provided with information about the closest railway station when they book on the website. However, we note that for our customers, the vast majority of whom are families, cars are still the preferred mode of transport, as they are more convenient and less costly.

CO_2 emissions prompted by energy consumption managed by the Group

	CP Europe			PV Europe			Group		
Volume of CO_2 emissions from energy consumption managed by the Group	2012/2013	2013/2014	2014/2015	2012/2013	2013/2014	2014/2015	2012/2013	2013/2014	2014/2015
Number of sites included in the scope	23	23	24	263	258	231	286	281	255
GHG emissions (in tonnes of CO_2 equiv)	157,744	142,367*	145,832	33,954	30,153	30,648	191,698	172,520	176,480

Scope: identical to that of energy volumes (excluding the Courchevel residences).
* *Adjusted data.*

5.4 SOCIETAL RESPONSIBILITY

5.4.1 BEING A PARTNER TO COMMUNITIES AND LONG-TERM COMMUNITY INVOLVEMENT

5.4.1.1 IN THE DEVELOPMENT PHASE

Our property development is based on cooperation with local stakeholders, to develop tourism projects integrated into their local surroundings and to establish dialogue with residents of the future locations of our sites.

For the Domaine du Bois aux Daims project, a protocol signed with the Vienne department and the Poitou-Charentes region has resulted in a detailed framework for cooperation. The Group took on specific commitments in terms of jobs, promoting local products and local tourist attractions. Several months before it opened late June 2015, the Group worked with local partners (public bodies, local councils and private partners) to implement this action plan. For example, a tourist information point open seven days a week at the site encourages customers to discover what the department and the region have to offer. An offering has also been developed in partnership with Futuroscope®. The exact consequences of these actions are to be monitored and an initial assessment is to be made after the first year of operation.

For future development projects of the Center Parcs brand, the Group is looking at the southern Loire, particularly Jura, Saône-et-Loire and Lot-et-Garonne. For these projects, a new-generation Center Parcs concept of medium size (capacity for 400 cottages) and very open to the surroundings is being developed. For these new projects, with this same concern for sites to be well-anchored in the surrounding areas and thereby creating value for local towns, Center Parcs has set itself the following priorities: developing partnerships with local operators, using short supply chains for restaurants, promoting local products and expertise, recruiting staff locally, etc.

Developing partnerships from an early stage

For the Jura and Saône-et-Loire projects, the Group aimed to organise, on a voluntary basis, a local partnership with the national public debate commission (CNDP). Debates were held between April and September 2015 in Saône-et-Loire and in the Jura. These were opportunities to present the projects in-depth, enter into discussions with locals, residents and associations. The opinions, remarks and questions of the local population were heard at meetings and workshops. Discussions also continued on dedicated websites, with the sharing of additional documents and studies.

At the wrap-up meetings of the two debates held in early September, the Group answered the questions raised and responded to suggestions about the organisation of the projects (e.g.: new access route proposals for the Jura site, the decision to commission a new ground plan study for the Saône-et-Loire project, etc.).

The CNDP submitted its report in November and the Group now has two/three months to announce its decision as to whether it will continue with the projects.

For other projects, like the Center Parcs in the Lot-et-Garonne, concertation works are to be carried out with the local stakeholders (public meetings, workshops, etc.).

Finally, development projects in China have started under the framework of the strategic partnership with HNA Tourism signed this year. The two Groups are aiming to develop a leading platform for the design and operation of a new type of tourism destination inspired by the Center Parcs and Pierre & Vacances concepts. These projects are to be developed with the aim of valuing assets, contributing positively to local socio-economic development and obtaining national or international environmental certifications (see section 4 of the registration document).

5.4.1.2 IN THE BUILDING PHASE

Cooperating with the local economy can be seen in the building phase, by the aim to work with local companies. Therefore, for the projects implemented this financial year, the end of the Center Parcs project in Vienne or the renovation of the Center Parcs in Port Zélande in the Netherlands and the spa at the Domaine du Lac d'Ailette, more than 90% of services concerning technical and architectural aspects were carried out with companies located less than 100km from each site.

Note that certain specific equipment (*e.g.* spa equipment, underwater lighting) and furniture cannot be purchased locally but only in Europe or Asia from partners with whom we have developed long-term relationships (see 5.4.2.4 section).

5.4.2 LISTENING TO OUR STAKEHOLDERS

Dialogue with stakeholders is essential to the Group's CSR approach. Ongoing dialogue has been established between the teams and their various audiences and the lessons learned are incorporated into the company's strategic orientations.

5.4.2.1 ENSURING THE SATISFACTION OF CUSTOMERS AND OWNERS

Customer satisfaction, whether for holidaymakers or owners, is at the heart of the Group's priorities and is the cornerstone of its quality approach. It is measured by analysing customer and owner surveys, monitoring opinion sites and social networks and by a close collaboration with the customer relations department. There is constant dialogue with on-site teams on this matter.

Customers

Listening to customers through satisfaction surveys

Center Parcs and Pierre & Vacances have a single management tool and some of the satisfaction survey questions are the same. Aparthotels Adagio uses a tool shared with the AccorHotels group, but this tool has gradually been replaced over the year with a tool, which also monitors online reputation, with both tools being used this year.

During the 2014/2015 financial year, 122,562 questionnaires were gathered for Pierre & Vacances, 266,420 for Center Parcs and 39,210 for Aparthotels Adagio. Return rates remain stable, thereby testifying to the loyalty of customers and implication in sharing their experiences.

Clear, consolidated indicators to manage the quality approach

Two major indicators are consolidated on each of the Pierre & Vacances, Center Parcs and Aparthotels Adagio brands: the NPS (Net Promoter Score) and overall satisfaction. The NPS is the difference between the number of "promoters" and the number of "detractors" in response to the question: *"would you recommend this site to your friends and family?"* During the 2014/2015 financial year, the NPS remained positive for the three brands and has been improving for two years.

The overall satisfaction rates stood at 84.9% for Pierre & Vacances, 82% for Center Parcs, Sunparks and Aparthotels Adagio. These results were confirmed by a high degree of planned return trips: over 89% for Pierre & Vacances, and 90% for Center Parcs and Sunparks.

Customer opinions

Customer satisfaction is the main objective upon which the Human Resources policy is based, and which is given to all site departments and teams. Satisfaction barometers are monitored weekly. Surveys are not the only way of assessing customer satisfaction. Indeed, customers are encourage to give their opinions on websites and comments shared in the satisfaction questionnaires are posted on the TripAdvisor website. This year, almost 17,000 opinions were collected and shared on TripAdvisor *via* the Pierre & Vacances satisfaction questionnaire and 6,716 opinions were shared directly on the TripAdvisor website by Aparthotels Adagio customers.

In addition, among all of the sites marketed by the Group, 13 Aparthotels Adagio and 60 Pierre & Vacances and Center Parcs were awarded the TripAdvisor certificate of excellence in 2014/2015 (compared with 49 for the latter two brands in 2014). Furthermore, three Pierre & Vacances residences and four Center Parcs were awarded the Travellers' Choice prize and three Pierre & Vacances residences the Hall of Fame prize, while one Aparthotels Adagio is part of the Traveller's Choice ranking for the Top 25 best family hotels in Germany.

Increased owner satisfaction

For almost 50 years, thousands of individual owners have put their trust in Pierre & Vacances-Center Parcs by choosing to purchase a property and entrusting the management to the Group. Over and above the financial profitability of these properties, owners have access to many services and benefits (*e.g.* complete property management, support with resale, exclusive promotional offers). The satisfaction of owners, which numbered 23,679 in 2014/2015, is also of fundamental importance for the Group.

The actions implemented with owners this year included digitalisation of communication tools to facilitate discussion and contact.

Owner satisfaction is managed by the Owner Customer Relations Department, and is measured using several indicators: the number of owner disputes fell slightly compared with the previous financial year (-5%) and the average processing time for these disputes also dropped (two days in 2014/2015 compared with five in 2012/2013). Since November 2014, the satisfaction indicators applied to customers have been rolled out to owners as well. Between November 2014 and September 2015, the overall satisfaction rate stood at 88.4% (with a response rate of 26.9% of questionnaires sent to owners benefiting from holiday rights following each of their stays), slightly higher than that of customers.

Local sponsorship

To promote diversity, the effectiveness of solidarity actions and their relevance to local communities, the Group has not developed a centralised sponsorship or budget policy. Instead, it leaves sites complete freedom to select the projects and causes they support. During this financial year and as in previous years, the Center Parcs sites at Bispinger Heide, Nordseeküste and Bostalsee decided to make donations or implement initiatives to support sick children. An initiative was launched with Clip-it, a game to assemble plastic tops from everyday use, at three Pierre & Vacances villages clubs. This helped make children aware of the advantages of recycling by collecting used plastic tops for the game and by the items in the game itself (since the assembly keys are made of recycled plastic).

At the end of the season, the tops were given to the "Bouchons d'Amour" association in order to finance equipment for disabled people.

Finally, for the fourth consecutive year, special support was provided to the Missing Chapter Foundation, chaired by the Princess of the Netherlands, Laurentien van Oranje. The Center Parcs in Hochsauerland, Germany hosted the Kids Climate Conference organised by the Foundation.

5.4.2.2 DEVELOPING NEW PROJECTS IN CONCERTATION WITH LOCAL RESIDENTS AND ORGANISATIONS

With 7.3% of the GDP[15] generated in France, tourism is a powerful driver of local economic growth. Each residence and village contributes to keeping the economy and employment market alive through the jobs created, direct purchases and money spent in local shops by visitors during their stay. In addition to the economic contribution, the Group is dedicated to promoting local tourism and is building relationships with many local bodies (*e.g.* associations).

Moreover, for any new development project, Pierre & Vacances-Center Parcs respects all administrative procedures in the country or region in question (impact study, water law file, protected species, etc.). The Group also strives to go above and beyond its legal obligations in terms of partnerships, and has for example approached the national public debate commission for the two Center Parcs projects in the Jura and Saône-et-Loire, even though there is no legal obligation to do so (see section 5.4.1.1).

Finally, a specific, innovative committee, "the Villages Nature Sustainable Development Advisory Board", has been set up to involve local players in monitoring the project and ensuring that all sustainable development commitments are honoured. This committee is made up of stakeholders from the public sector and civil society, including associations such as Nature Environnement 77, R.E.N.A.R.D., LPO (the French league for the protection of birds), UFC Que Choisir and Aquibrie. It is chaired by the secretary-general of the Seine-et-Marne prefecture. Its role is to act as a consultative body, which works to materialise project commitments in terms of sustainable development and promote partnerships with its local stakeholders.

(15) Source: French Ministry for the Economy and the Digital Industry – 2013.

5.4.2.3 VALUING OUR CSR PERFORMANCE IN THE EYES OF INVESTORS

The Group regularly responds to evaluation questionnaires from non-financial ratings agencies, such as VIGEO, or specific questions from SRI analysts. This means that it can be selected for inclusion by the SRI funds (see section on Sustainable Development Policy).

Finally, each year, a delegation from Pierre & Vacances -Center Parcs attends dedicated forums to answer the questions of financial analysts on CSR matters, to develop a loyal shareholder base that is aware of CSR issues and to showcase the Group's actions.

5.4.2.4 CONDUCTING RESPONSIBLE DIALOGUE WITH OUR SUPPLIERS

The Group undertakes 99% of its purchases with European suppliers, 72% of which are located in France, with less than 1% of suppliers located in "high risk" countries, such as China. These purchases amount to around €650m per year (excl. Les Senioriales). Group framework agreements with referenced suppliers allow the Purchasing Department to manage around 75% of this, and the figure is constantly growing. The rest is purchased directly by the sites from suppliers referenced locally.

Our responsible purchasing policy

The targets of our responsible purchasing policy by 2016 are as follows:

- to promote dialogue with suppliers concerning the Group's CSR approach and encourage them to respect it;
- to take into account the environmental and social features of the Group's major suppliers, such as service providers, to develop and improve them;
- to detect and manage risks linked to suppliers or products purchased, notably in high-risk countries (which account for less than 1% of purchases);
- to identify market opportunities in terms of innovation;
- to work to implement a supplier policy that better values SMEs, in particular by making use of the PACTE PME association.

Relations with our suppliers

Relationships with our suppliers are formalised in several documents and commitments: Charter of Inter-company Relations, Rules of conduct with suppliers/service providers, Ethical purchasing charter, Clause Article III.3 of the General provisions of the referencing agreement, Letter of service provider commitment, etc.

In addition, an ethical code, applied by all of the Group's purchasers (who are notably responsible for purchases prompted by property development) is included in all of the contract agreements and supplier referencing agreements, in order to prevent any corruption risk.

Increase in purchases from the adapted and protected work sectors

Expenditure with suppliers stemming from adapted and protected work environments reached €331,000 before tax in 2014/2015, up 31% compared with the previous financial year. This was mainly Center Parcs expenditure, notably for the secondment of employees and services provision (maintenance of green spaces and bicycles, general maintenance, etc.).

5.5 MAKING LOCAL HOLIDAYS A TIME TO RECONNECT WITH LOVED ONES AND WITH NATURE

5.5.1 PRESERVING THE NATURAL CAPITAL OF OUR SITES

The beauty and quality of the landscapes where our sites are situated are major assets. The vast majority of our sites include green spaces, such that preserving this environment and highlighting the local natural splendour is part of our expertise.

We have two main priorities when it comes to protecting biodiversity: adapting to the changing ecological context of each site (presence of protected species, ecological corridors, etc.) and balancing our tourism operations with the protection of local flora and fauna. Additionally, whenever we develop new projects, we carry out in-depth work to minimise the impact of the future site, according to the "avoid, reduce, compensate" approach.

5.5.1.1 IN THE DESIGN AND BUILDING PHASE

Right from the design and building of our sites, we take measures to preserve and protect flora and fauna, in partnership with local bodies.

The Villages Nature project

Maintaining and improving biodiversity are at the heart of the Villages Nature vision and the customer experience. The biodiversity officer and the procedures imposed by the "Green building" charter help ensure we meet ambitious biodiversity objectives: to have a neutral impact on the 72 protected species detected on the site and make the site more attractive to wildlife by diversifying habitats, adapting management practices, etc.

Measures taken prior to and during the project

The project began in 2014/2015. All measures to protect biodiversity on the building site (restoration of ponds and ditches, fight against invasive species, preservation of protected species, etc.) have been implemented and are regularly monitored by the biodiversity officer in support of the "Green building" manager.

Actions beyond the site's location

Off site, several preservation initiatives have also been undertaken. Protective management agreements for compensation sites (Coubert, Boulay and la Grange forests) were signed by Villages Nature in November 2014. Work on these sites began in 2015 (forest clearing, creation and restoration of ponds, etc.). Work on external ponds close to the site has begun.

A slight drop in the number of species has been observed (a normal phenomenon during the construction period), but new species such as the little ringed plover and the common tern (protected species) have already been observed.

Center Parcs in Vienne

For maximum protection of ecosystems and biodiversity, an inventory of the species and habitats present on the site was carried out far in advance of the project to precisely determine, from season to season, the balances of the ecosystem to be preserved.

Furthermore, soil artificialisation has been limited to 10% of the total surface area and the development plan for the site takes into account environmental priorities identified by preliminary surveys. In this way, building work is kept away from most of the sensitive areas and includes impact and compensation reduction measures, including: preservation of most of the natural habitats, the creation of new habitats favourable to two species of heritage interest – the Northern Crested Newt (amphibian) and the Marsh Fritillary (butterfly). Furthermore, the Bourdigal property (60 ha) has been acquired to continue farming there, while managing biodiversity responsibly.

The Bourdigal stream has been restored and its bed has been recreated to preserve Austropotamobius pallipes populations. Finally, habitats for forest (birds, bats, reptiles) and aquatic (insects, amphibians) species have been improved.

Finally, a partnership with "Vienne Nature" and LPO (the French league for the protection of birds) was created in particular with a monitoring committee in place since the building phase that is continuing throughout the operation of the site.

Key figures

- 18 new ponds to create new habitats for the northern crested newt.
- 6 ha of clearings to create new habitats for nighthawks.
- 15 ha of sowed clearings of Succisa pratensis to create new habitats for the Succise Cape petrel.

5.5.1.2 IN THE OPERATING PHASE

For the Group's operational sites, a separate management approach for green spaces and nature was begun in order to promote good practices: sensible use of phytosanitary products, watering in line with climatic conditions, late cutting and mowing, planting of a diverse range of plant species, dead wood left in-situ, use of alternative methods to chemical products to remove weeds and insects (no chemical weed-killer used apart from on the roads).

5.5.2 MAKING OUR CUSTOMERS AWARE OF SUSTAINABLE DEVELOPMENT PRIORITIES

5.5.2.1 DOMAINE DU BOIS AUX DAIMS, AN UNPRECEDENTED MEETING WITH WILDLIFE

With its new Center Parcs, the Group aimed to go further in the "nature" experience it offers to visitors, by developing new wildlife observation, meeting and discovery activities. The site is home to around 50 European wildlife forest species including around 100 deer, which roam semi-free across the site. Other special features of the site include: a 400 m² immersion aviary and a "Animal Core" with an educational trail where visitors can observe the wildlife. Finally, a partnership has been entered into with Galatée Films (Jacques Perrin's production company) based on the director's new film, *Les Saisons* (to be released in January 2016). *Via* this partnership, some of the animals shown in the film were brought into the site. These animals, born and bred in captivity, have been imprinted to create a trusting relationship with humans. This means that residents of the Domaine du Bois aux Daims have special access to observe and approach them and be made aware of the need to protect wildlife.

Center Parcs and most of the Pierre & Vacances club villages also offer activities involving farm animals. "Mini farms" enable children to get close to domestic animals (chickens, cows, rabbits, horses, and, at Center Parcs du Bois aux Daims, Poitiers goats, Poitou donkeys, etc.), and also learn how to feed and look after them. Furthermore, activities and programmes such as "Wanna be...", for ages four to 10, and the "Center Parcs Academy" for older children, enable them to learn about jobs relating to nature and animals.

5.5.2.2 OUR CHILDREN – AMBASSADORS OF THE PLANET

For the fourth consecutive year, Center Parcs is an active partner in the *"Kids Climate Conference"*. This year's theme, *"Using just as much as we need"* helped make children aware of climate change issues over three days of workshops (on food waste, animal behaviour, etc.). Organised at the Center Parcs Hochsauerland site in Germany, in conjunction with WWF Holland and Plant for the Planet, and local and private partners, the 2015 Kids Climate Conference brought together 150 children aged eight to 14, from 19 to 21 June. A proposal guide was handed out to local representatives of the saving bank in Medebach, the town where the site is located.

Within the Pierre & Vacances club villages, the Eco'lidays activities are included in the kids' club entertainment programme. These cover topics such as renewable energies, the role of bees and the importance of sorting waste through fun activities.

ADDITIONAL INFORMATION AND CROSS-REFERENCE TABLE

The amount of provisions and guarantees set aside for environmental risks is not mentioned in this document since it is not significant. Similarly, since the Group's businesses (property development and tourism operation) do not include manufacturing processes, the use of commodities is indirectly handled in the sections 5.3 and 5.4.2.4.

The cross-reference table for social, environmental and societal information relative to decree no. 2012-557 of 24 April 2012 is set out on page 236.

Find the details of indicator in the CSR reporting on www.groupepvcp.com, section Sustainable Development.

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

Financial year ending 30 September 2015

To the Shareholders,

In our capacity as Independent Third Party Body accredited by the COFRAC[16] under No. 3-1050 and member of the network of Statutory Auditors of Pierre & Vacances, we present our report on the consolidated social, environmental and societal information for the year ending 30 September 2015, presented in the Chapter "Information on social, environmental and societal matters" and in the Appendix "Cross-reference table for social and environmental information" of the management report, hereafter the "CSR Information", pursuant to the provisions of Article L. 225-102-1 of the French Commercial Code.

THE COMPANY'S RESPONSIBILITY

It is the Board of Directors' responsibility to produce a management report including the CSR Information outlined in Article R. 225-105-1 of the French Commercial Code, in accordance with the standards used by the Company, mainly consisting of the protocols for non-financial reporting of environmental, social and governance data in its version dated September 2015 (hereafter the "Guidelines") a summary of which is available on the Group's website[17].

INDEPENDENCE AND QUALITY CONTROL

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

(16) Accreditation scope available at www.cofrac.fr.

(17) http://www.groupepvcp.com/fr/130/developpement_durable, section "publications".

RESPONSIBILITY OF THE INDEPENDENT THIRD PARTY BODY

Based on our work, it is our responsibility to:

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

Our work was carried out by a team of five people between the months of September and December 2015 over a period of six weeks.

We conducted the following work in accordance with the professional standards applicable in France and the order of 13 May 2013, which sets out the methods used by the independent third party body when performing its duties and, concerning the reasoned opinion on the fairness of the CSR information, International standard ISAE 3000[18].

1. Certification of the presence of CSR information

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

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

In the event of the absence of certain consolidated information, we have checked that explanations have been provided in accordance with the provisions of Article R. 225-105, paragraph 3 of the French Commercial Code. We have checked that the CSR Information covered the consolidated scope, *i.e.* the Company and its subsidiaries within the meaning of Article L. 233-1 of the French Commercial Code and the companies it controls within the meaning of Article L. 233-3 of the same Code, with the limits stated in the introduction to the corresponding chapters and notably Chapter 1.2 "About the company report" of the management report.

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

2. Reasoned opinion on the fairness of the CSR information

Nature and scope of the work

We have conducted around 10 interviews with the persons responsible for preparing the CSR Information within the Sustainable Development, Maintenance-renovation-energy, Human Resources, Communication and Development departments responsible for collecting the information and, as applicable, those responsible for internal control procedures and risk management, in order to:

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

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

(18) ISAE 3000 – Assurance Engagements other than audits or reviews of historical information.

For the CSR information that we considered the most important[19]:

- for the Company's head office, we have consulted documentary sources and held interviews to corroborate the qualitative information (organisation, policies, actions, etc.); we have used analytical procedures on quantitative information and checked, on the basis of surveys calculations as well as the consolidation of data and we have verified their consistency with the other information in the management report;
- for the representative sample of the entities and sites we selected[20] based on their business, their contribution to the consolidated indicators, their implantation and a risk analysis, we conducted interviews to check that the procedures were correctly implemented, and we performed detailed tests, based on samples, to check the calculations made and reconcile the data with the supporting documents. The entities selected in this way represent 39% of the workforce and 51% of energy use (sites) with detail tests having concerned one site of each entity selected.

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

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

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

Conclusion

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

Comments

Without calling into question the conclusion provided above, we would like to draw your attention to the fact that the reliability of social and environmental information is primarily reliant on reporting managers at the Pierre & Vacances and Center Parcs levels.

Paris La Défense, 1 December 2015

Independent Third Party Body

ERNST & YOUNG et Associés

Éric Duvaud	Bruno Perrin
Sustainable Development Associate	Associate

(19) **Environmental and societal information:**

- *Indicators (quantitative information): water and energy usage, carbon emission (scope 1 and 2), volume of waste and sorting rate (for Center Parcs).*
- *Qualitative information: environmental policy, actions taken to improve the energy performance of buildings, climate change adaptation and management of water stress, actions set up to develop biodiversity, relation with stakeholders, fairness of commercial practices.*

Social information:

- *Indicators (quantitative information): headcount (annual average), turnover rate, absenteeism rate, frequency rate and severity rate of work accidents.*
- *Qualitative information: recruitment (number of new staff and of departure), organization of working time, training policy.*

(20) The French entity (excl. Les Senioriales and Center Parcs France) and one site (Avoriaz). Center Parcs Germany and one site (Hochsauerland).

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6

INFORMATION ABOUT THE COMPANY AND SHARE CAPITAL

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6.1 COMPANY INFORMATION

6.1.1 GENERAL INFORMATION

LEGAL NAME

Pierre et Vacances.

REGISTERED OFFICE

L'Artois – Espace Pont de Flandre – 11, rue de Cambrai – 75947 Paris Cedex 19.

Telephone number: +33 (0)1 58 21 58 21.

V FORM

A French Public Limited Company *(Société Anonyme)* with a Board of Directors, incorporated under French law and governed by the French Commercial Code and by its articles of association.

DATE OF INCORPORATION AND TERM OF THE COMPANY

The Company was incorporated for a term of 99 years with effect from its registration in the Paris Trade and Companies Register on 7 August 1979, except in the event of an early dissolution or extension.

CORPORATE PURPOSE (ARTICLE 2 OF THE ARTICLES OF ASSOCIATION)

The purpose of the Company is to:

- acquire equity interests in other companies, by means of the formation of companies, contributions of companies, subscriptions for or purchases of shares or equity interests, mergers, alliances, partnerships or any other means, and particularly in companies that are active in the following areas:
  - sell and manage property,
  - acquire, develop and resell land, and construct property,
  - operate, in whatever form, residences, hotels, motels, unfurnished or furnished premises, and restaurants of all kinds; all activities relating to the organisation and management of holidays and leisure activities; all direct or indirect equity investments in any French or foreign companies involved in the above businesses or likely to promote the development thereof;
- manage and provide technical, administrative, legal and financial assistance to these companies and their subsidiaries;
- and generally carry out all commercial and financial transactions, and all transactions involving property and equipment, relating directly or indirectly to the above business purpose or likely to help in the development thereof.

TRADE AND COMPANIES REGISTER

316,580,869 RCS Paris.

BUSINESS ACTIVITY CODE

7010Z.

FINANCIAL YEAR

The Company's financial year runs from 1 October to 30 September of the following year.

CONSULTATION OF DOCUMENTS AND INFORMATION RELATING TO THE COMPANY

Company documents for the past three financial years (annual financial statements, minutes of Shareholders' Meetings, attendance sheets for said Shareholders' Meetings, lists of directors, Statutory Auditors' reports, articles of association, etc.) can be consulted at the Pierre et Vacances registered office.

In addition, the Company's articles of association and, where applicable, the reports, correspondence, assessments and declarations made by an expert at the Company's request, and the Company's historic financial information for the previous two years may be consulted at the Pierre et Vacances registered office.

APPROPRIATION OF EARNINGS (ARTICLE 20 OF THE ARTICLES OF ASSOCIATION)

Net income generated during the financial year, after deducting overheads and other expenses incurred by the Company, including all depreciation, amortisation and impairment losses, represents the profit (or loss) for the financial year.

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

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

The Shareholders' Ordinary Meeting may appropriate whatever sums it deems fit, either to be carried forward as retained earnings to the following financial year, or to be transferred to one or more general or special reserves, the use or allocation of which is determined by the Meeting.

The Shareholders' Ordinary Meeting may also decide to make payouts from the reserves available for this purpose. Where this is the case, the applicable resolution must expressly indicate from which reserves the payout shall be made.

The Meeting may offer each shareholder the option to receive all or part of the dividend payment in the form of shares (subject to legal conditions) or in cash.

SPECIFIC CLAUSES IN THE ARTICLES OF ASSOCIATION

Double voting rights (Article 16 of the articles of association)

With effect from the Shareholders' Extraordinary Meeting of 28 December 1998, voting rights double those conferred on other shares, in view of the portion of share capital that they represent, shall be attributed to all fully paid-up shares for which proof of registration in the name of the same shareholder for a period of at least two years has been provided.

In the event of an increase in the share capital by incorporation of reserves, profits or share premiums, double voting rights shall be attributed from the date of issue to registered shares allotted free of charge to a shareholder as a result of his ownership of existing shares that are already entitled to double voting rights.

Shares converted to bearer shares or whose ownership is transferred lose their double voting rights.

Notwithstanding the above, the transfer by inheritance, by liquidation of spouses' joint property, or by inter vivos donation to a spouse or relative in the line of succession shall not entail the loss of double voting rights, and shall not interrupt the time period stipulated in Article L. 225-123 of the French Commercial Code. The same applies in the event of a transfer as a result of a merger or demerger of a shareholding company.

Identifying shareholders (Article 7 of the articles of association)

The Company may at any time, subject to the conditions laid down by regulations, ask the body responsible for clearing its shares to reveal the names, addresses and nationalities of holders of shares conferring an immediate or future right to vote at its Shareholders' Meetings, together with the number of shares held by each such shareholder and any restrictions attached to these shares; at the Company's request, the above information may be limited to shareholders holding a minimum number of shares set by the Company.

Breaching of thresholds (Article 8 of the articles of association)

In addition to the disclosure concerning legal thresholds, any individual or entity who, acting alone or in concert, comes to hold a percentage of the capital or voting rights equal to or exceeding 5% or a multiple thereof, directly or indirectly, within the meaning of Article L. 233-9 of the French Commercial Code, is required to notify the Company by registered letter with proof of receipt within five trading days of crossing each of these thresholds, indicating the number of voting rights and shares held and the voting rights attached thereto. This notice of the crossing of shareholding thresholds also indicates if the shares or attached voting rights are or are not held on behalf of or in concert with any other individual or entity.

If not disclosed as provided above, the shares that exceed the percentage and should have been disclosed are deprived of voting rights at future shareholders' meetings, if one or more shareholders holding collectively at least 5% of the Company's share capital or voting rights so request and the request is recorded in the minutes of the Shareholders' Ordinary Meeting. The deprivation of voting rights applies to all future Shareholders' Meetings until the expiry of a period of two years from the date the disclosure is made.

Shareholders' Ordinary Meetings (Articles 16, 17 and 18 of the articles of association)

Shareholders' Ordinary Meetings shall be held at the registered office of the Company or at any other place indicated in the meeting notice.

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

The right to participate in Shareholders' Ordinary Meetings is subject:

- in the case of registered shareholders, to entry of the shares in the name of the shareholder in the Company registers at least two working days before the Shareholders' Ordinary Meeting;
- in the case of holders of bearer shares, to the filing, according to the conditions stipulated by law, of the certificate drawn up on the basis of the shareholder certificate (attestation of participation) issued by the authorised intermediary two working days before the date of the Shareholders' Ordinary Meeting.

Any shareholder shall be entitled to exercise a postal vote using a form that may be obtained under the terms specified in the meeting notice and under the conditions provided by law.

Any shareholder may also, if the Board of Directors so decides at the time the Meeting is convened, participate and vote at the Shareholders' Ordinary Meeting by means of electronic telecommunication enabling their identity to be established under the conditions provided by law.

Shareholders participating in the Meeting by videoconference, or by any other means of electronic telecommunication enabling their identity to be established under the conditions provided by law, shall be deemed to be present for the purposes of establishing quorum and majority.

Methods of convening Shareholders' Meetings

Shareholders' Ordinary Meetings are convened by the Board of Directors or, failing this, by the Statutory Auditors, in accordance with the requirements of Article R. 225-162 of the French Commercial Code, or else by a corporate officer designated by the Presiding Judge at the Commercial Court ruling in summary proceedings upon request or, in an emergency, by any interested party or by one or more shareholders together holding at least 5% of the issued capital.

Notice of meeting shall be given in the form of an announcement published in one of the journals authorised to publish legal notices in the administrative department in which the Company's registered office is located. Shareholders holding registered shares shall be convened by formal letter, which can be sent by registered post at the shareholders' request with the latter bearing the cost of the same.

If all the shares are held in registered form, the notices provided for in the previous paragraph may be replaced by a meeting notice sent by registered post to each shareholder, with the Company bearing the cost of the same.

6

6.1.2 DESCRIPTION OF THE S.I.T.I. GROUP

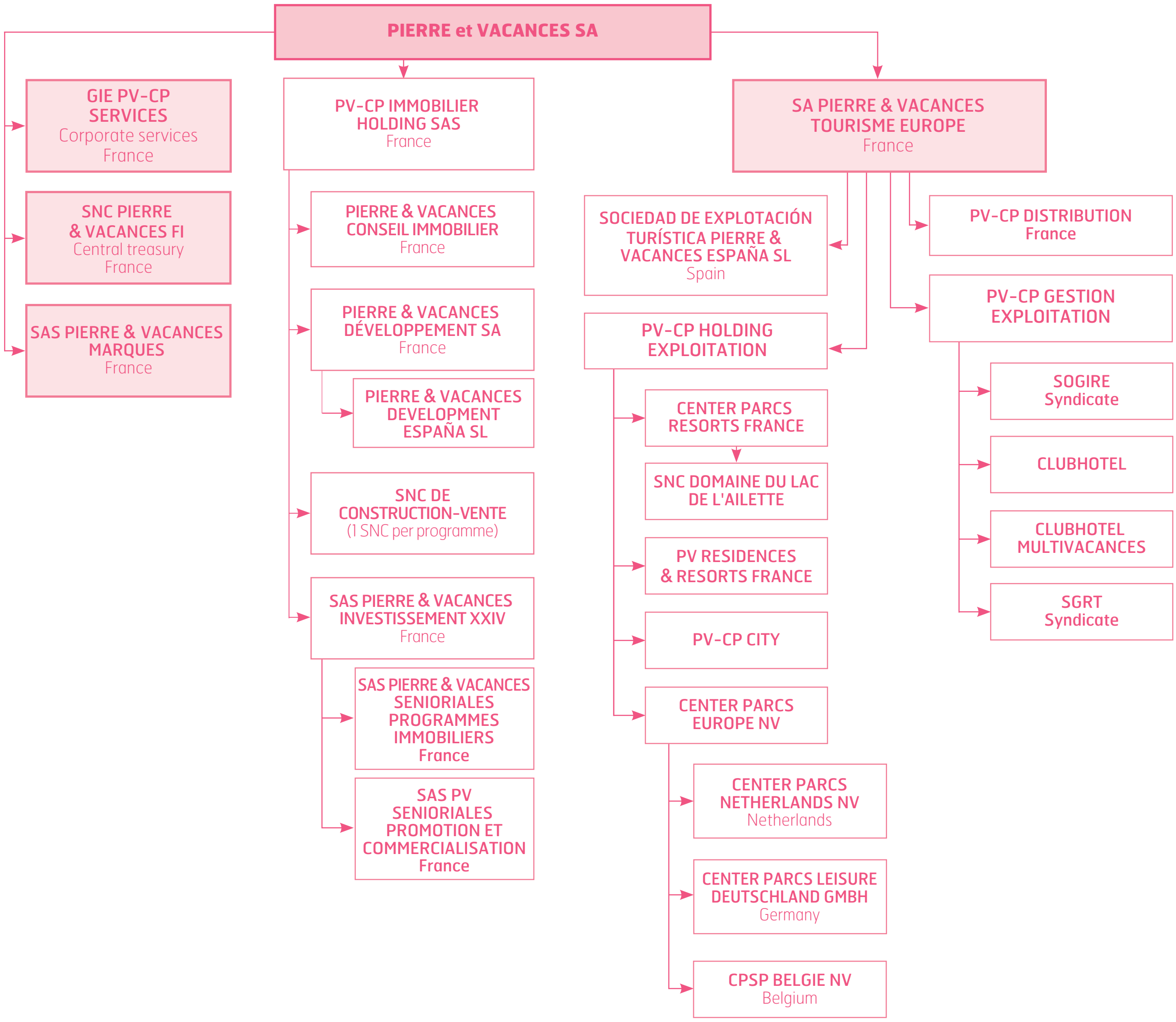
SA Société d'Investissement Touristique et Immobilier – S.I.T.I., a Pierre & Vacances-Center Parcs Group management holding company, indirectly controlled by Gérard Brémond *via* SC S.I.T.I. "R", has a 44.25% interest in Pierre et Vacances SA. The Pierre & Vacances subgroup constitutes the main asset of S.I.T.I SA and is fully consolidated.

At 30 November 2015, the equity interests held by S.I.T.I. outside Pierre et Vacances SA mainly comprise the following:

- assets not transferred to Pierre et Vacances SA, prior to its initial public offering in June 1999. These are mainly companies holding land (CFICA, Lepeudry et Grimard, etc.) and various non-strategic assets (SAEM de Morzine Avoriaz, etc.);
- companies involved in other business sectors (interests held through GB Développement: Cine-@, TSF Jazz, Duc des Lombards, etc.);
- companies bought back during financial years 2004/2005 and 2005/2006 from individual investors, relating to apartments in Pierre & Vacances villages in Martinique and in Guadeloupe (SNC Société Hôtelière de la Rivière à la Barque, SNC Société Hôtelière de la Plage du Helleux and SNC Filao). Some of these apartments were split sold to individual investors.

6.1.3 LEGAL FORM OF PIERRE ET VACANCES

Simplified organisational structure at 30 September 2015



The companies above are fully owned and fully consolidated.

Pierre et Vacances SA, the Group holding company, listed on Eurolist of Euronext Paris, holds equity interests in all the subholdings. It pays the external fees and expenses relating to the registered office at Artois, in the 19th district of Paris (particularly the rents), which it reinvoices to the various Group entities according to certain allocation criteria, particularly the square footage occupied. Pierre et Vacances SA is required to give sureties or guarantees to banks on behalf of its subsidiaries when setting up corporate finance or financial completion guarantees.

GIE PV-CP Services provides and invoices for management, administration, accounting, financial and legal services for the Group and handles the services shared by the Group's companies through service agreements.

Pierre & Vacances FI is the Group's central cash management company. It collects the surplus cash from the subsidiaries, redistributes it to those that need it and invests the balance.

Pierre & Vacances Marques SAS owns and manages the Pierre & Vacances, Maeva and Multivacances brands. As such, it reinvoices the Tourisme France operating entities for brand royalties.

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

- PV-CP *Gestion Exploitation SAS*, the holding company for the business segment involved in portfolio management activities and relationships with owners;
- PV-CP Distribution SA, a travel agency, dedicated to promoting and selling residences and villages (not including selling and marketing

of Center Parcs products for the BNG area, which are handled by Center Parcs Europe NV and its subsidiaries). In this capacity, PV-CP Distribution SA reinvoices its selling fees to PV Résidences & Resorts France and Center Parcs Resorts France;

- PV-CP Holding Exploitation SAS, the holding company for the business segment involved in tourism operations, which controls:
  - Center Parcs Resorts France SAS which groups together all Bois Francs, Hauts de Bruyères, Les Trois Forêts and Domaine du Bois aux Daims operating activities, and which itself controls:
    - Domaine du Lac de l'Ailette SNC, a subsidiary responsible for operating the Domaine du Lac de l'Ailette holiday village in France,
    - PV Résidences & Resorts France SAS, which includes all the operating activities of the Maeva, Pierre & Vacances, Pierre & Vacances villages clubs and Pierre & Vacances premium villages and residences,
    - PV-CP City SAS, which includes all the operating activities of the 31 city residences acquired from Lamy on 15 June 2011,
  - Center Parcs Europe NV, a tourism holding company with a 100% stake in the Center Parcs Europe subgroup, which manages approximately 15,500 cottages in the Netherlands, Germany and Belgium. This company performs the shared services for the Center Parcs Europe subgroup, which are reinvoiced to its subsidiaries and the commercial activity in the Netherlands. Center Parcs Europe NV indirectly controls:
    - Center Parcs Netherlands NV, a subsidiary which manages all the villages in the Netherlands (eight villages),
    - Center Parcs Germany Holding BV, which manages five villages in Germany through various subsidiaries,
    - CPSP België NV which, through various subsidiaries, markets and manages six villages in Belgium;
- Sociedad de Explotación Turística Pierre & Vacances España SL, which manages the Pierre & Vacances tourism operation in Spain.

PV-CP Immobilier Holding SAS (formerly CP Prog Holding), controls:

- PV Senioriales Promotion et Commercialisation, which promotes, constructs and markets residences for retired people;
- *Pierre & Vacances Conseil Immobilier (PVCI), which* sells to individual investors new or renovated apartments and homes developed and managed by the Pierre & Vacances-Center Parcs Group. It is also responsible, for the owners that require it, for selling these apartments and thus provides the investors with liquidity from their investment. PVCI bills the construction-sales companies for the marketing fees;
- *Pierre & Vacances Développement SA (PVD), which* carries out real estate prospecting and delegated project management. PVD invoices project management fees to the construction-sales companies;
- construction-sales companies.

The property development operations are in fact housed in dedicated construction-sales SNCs in order to simplify management and set-up of financing. Some property development operations can be carried out jointly with other parties. In such cases, Pierre & Vacances allows other developers to invest in these construction-sale companies.

The aim of PV-CP Immobilier Holding SAS is to wind up these companies and provide the ten-year warranty.

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

The construction-sales companies receive rents from the tourism business segment for the apartments that are not yet sold to investors but are operated by tourism entities. Conversely, for renovation operations, the property development companies that carry out the work indemnify the tourism operating companies for the costs incurred during the period of closure for the renovation work. Finally, the construction-sales companies sometimes pay the rent on apartments sold to investors before the site is opened to the public.

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

Finally, the tourism operating companies help to manage certain property development programmes by participating in the design of the product, setting up the lease, delivering and accepting the site and putting it into operation. They also contribute to the marketing of certain property development programmes by actively helping with the selling work performed by their teams on the sites. For doing this work, they invoice project management and marketing fees to the property development companies concerned.

Summary of parent-child companies – Financial year 2014/2015

(in € thousands)	Tourism business	Property development	Other (including corporate departments)	P&V SA (listed company)	Total Group
Non-current assets (including goodwill)	522,252	39,137	32,916	5,465	599,771
Gross financial debt (excluding derivative financial instruments – liabilities)	109,993	13,814	0	146,412	270,219
Cash and cash equivalents recognised on statement of financial position	36,849	860	-6,318	8,223	39,614
Dividends paid to PV SA for the financial year	0	31,745	5,280	0	37,025

6.2 INFORMATION ABOUT THE SHARE CAPITAL

6.2.1 SHARE CAPITAL

At 30 November 2015, the share capital stood at €88,215,510 divided into 8,821,551 ordinary shares with a par value of €10 each, all of the same class and fully paid up.

The shares are in nominee or bearer form at the shareholder's discretion.

The Company keeps itself informed of the ownership of its shares under the conditions provided by law.

The shares are freely transferable, unless otherwise stipulated by law or regulations.

The transfer of the shares, whether free of charge or for a consideration and whatever their form, is done by transfer between accounts in accordance with the procedure laid down by law.

Double voting rights are attributed to shares held in nominee form for more than two years. At 30 November 2015, with double voting rights being granted on 4,034,984 shares, the total number of voting rights stood at 12,856,535 for 8,821,551 shares.

6.2.2 POTENTIAL CAPITAL

The potential theoretical capital of Pierre et Vacances, if all ORNANEs were converted into new shares, would be €119,791,570 corresponding to 11,979,157 shares:

8,821,551 shares existing at 30/11/2015

+ 3,157,606 ORNANE convertible bonds (maturing on 01/10/2019)

= 11,979,157 potential shares at 30/11/2015

6.2.3 TABLE SUMMARISING CURRENTLY VALID DELEGATIONS OF AUTHORITY GRANTED TO THE BOARD OF DIRECTORS CONCERNING CAPITAL INCREASES

The Shareholders' Extraordinary Meetings of 6 March 2012 and 13 March 2014 granted the Board of Directors certain delegations authorising them to increase the issued capital, with the option to sub-delegate under the conditions provided by law.

The Board of Directors has not made use of these authorisations.

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

As these authorisations expire in the 2015/2016 financial year, the shareholders will be asked to renew them at the Shareholders' Meeting to approve the financial statements for the financial year ended 30 September 2015.

Shareholders' Extraordinary Meeting of 6 March 2012

Resolution No.	Purpose	Term	Use 2014/2015
15	Authorisation to issue shares in the Company with cancellation of the preferential subscription rights in order to grant options to subscribe for shares to executive and non executive corporate officers and/or certain members of the salaried personnel of the Company or of companies or groups affiliated thereto[(1).]	38 months	Not used

(1) *Opening of share option plan: options giving entitlement to subscribe for new Company shares or to purchase existing Company shares originating from purchases made by it. The total number of options granted by virtue of this authorisation may not give entitlement to subscribe for or purchase more than 250,000 shares.*

Shareholders' Extraordinary Meeting of 13 March 2014

Resolution No.	Purpose	Term	use 2014/2015
10	Authorisation to issue shares and/or securities giving immediate or eventual access to the Company's capital and/or securities giving right to the allotment of debt securities with maintenance of the preferential subscription rights and up to the par value of €44,000,000.	26 months	Not used
11	Authorisation to issue shares and/or securities giving immediate or eventual access to the Company's capital and/or securities giving right to the allotment of debt securities with cancellation of preferential subscription rights and up to the par value of €44,000,000, this amount being applied to the general ceiling set by the 10th resolution.	26 months	Not used
12	Authorisation to issue shares and/or securities giving immediate or eventual access to the Company's capital and/or securities giving right to the allotment of debt securities with cancellation of preferential subscription rights through private placement and up to the par value of €44,000,000, this amount being applied to the general ceiling set by the 10th and 11th resolutions.	26 months	Not used
13	Authorisation to increase the amount of issues made with or without cancellation of preferential subscription rights, up to 15% of the initial issue, subject to the ceilings set out in the 10th, 11th and 12th resolutions.	26 months	Not used
14	Authorisation to set the issue price of shares to be issued within the framework of the 11th and 12th resolutions, with cancellation of preferential subscription rights, up to 10% of the capital per year.	26 months	Not used
15	Authorisation to make capital increases reserved for members of the Group Share Ownership Plan and up to the par value of €850,000.	26 months	Not used
16	Authorisation to issue ordinary shares in the Company in order to grant them free of charge to executive and non-executive corporate officers and/or certain members of the salaried personnel of the Company or of companies or groups affiliated thereto, up to 2% of the issued capital[(2)].	38 months	Not used

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

6.2.4 CHANGES IN SHARE CAPITAL OVER THE LAST FIVE FINANCIAL YEARS

None.

6.3 SHAREHOLDERS

6.3.1 OWNERSHIP OF SHARE CAPITAL AND VOTING RIGHTS AT 30 NOVEMBER 2015

At 30 November 2015, the estimated shareholder structure of Pierre & Vacances is as follows:

	Number of shares	% of issued capital	Value of profit sharing at 30 November 2015 *(in € thousands)*	Number of voting rights	% of voting rights
S.I.T.I.(1)	3,903,548	44.25	116,599	7,807,096	60.72
Directors	3,923	0.04	117	7,826	0.06
Treasury shares(2)	368,605	4.18	11,010	368,605	2.87
of which shares acquired as part of the buy-back programme	*367,951*		*10,991*		
of which shares acquired as part of the liquidity agreement	*654*		*19*		
General public(3)	4,545,475	51.53	135,773	4,673,008	36.35
TOTAL	**8,821,551**	**100**	**263,499**	**12,856,535**	**100**

(1) S.I.T.I. SA is 72.43% directly owned by SC S.I.T.I. "R", the latter being 90% owned by Gérard Brémond.
(2) Treasury shares for which voting rights cannot be exercised.
(3) Including employees (44,494 shares or 0.5% of issued capital) and Financière de l'Échiquier (749,200 shares according to the identification of the holders of bearer shares at 30 September 2015, or 8.5% of the share capital).

The Company has taken a number of measures to prevent the control exerted by S.I.T.I. SA from being abusive (see the Chairman's report on the organisation of the Board of Directors and internal control procedures, which is included in the annual financial report).

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

In accordance with Article L. 223-13 of the French Commercial Code and given the disclosures and notifications received in accordance with Articles L. 233-7 and L. 233-12 of said Code, it is stated that:

- S.I.T.I. SA directly holds more than a third of the share capital and more than half of the voting rights at Shareholders' Ordinary Meetings;
- SC S.I.T.I. "R" indirectly holds more than a third of the share capital and more than half of the voting rights at Shareholders' Ordinary Meetings.

6.3.2 CHANGES IN SHARE CAPITAL AND VOTING RIGHTS OVER THE LAST THREE FINANCIAL YEARS

	At 30/09/2013			At 30/09/2014			At 30/09/2015		
Shareholders	Number of shares	% capital	% voting rights	Number of shares	% capital	% voting rights	Number of shares	% capital	% voting rights
S.I.T.I.	3,903,548	44.25	60.87	3,903,548	44.25	60.71	3,903,548	44.25	60.72
Directors	7,291	0.08	0.12	3,963	0.04	0.07	3,923	0.04	0.06
Treasury-shares(1)	373,461	4.23	2.91	376,594	4.27	2.92	373,345	4.23	2.90
General public	4,537,251	51.44	36.10	4,537,446	51.44	36.30	4,540,735	51.47	36.32
of which employees	*88,863*	*1.01*	*1.38*	*48,159*	*0.54*	*0.78*	*44,799*	*0.51*	*0.70*
TOTAL	**8,821,551**	**100**	**100**	**8,821,551**	**100**	**100**	**8,821,551**	**100**	**100**

(1) Treasury shares for which the voting rights cannot be exercised.

Article 222–12 of the General Regulations of the AMF states that, to calculate shareholding thresholds, the total number of voting rights is determined on the basis of all of the shares to which voting rights are attached, including shares stripped of voting rights.

6.3.3 GROUP SHARE OWNERSHIP PLAN

The Group Share Ownership Plan, set up with the payment of the employees' profit-sharing entitlement for 1997/1998, received voluntary payments from employees and the Company's matching contributions to subscribe for Pierre et Vacances shares in connection with the initial public offering and capital increase of March 2002. It also receives voluntary payments from employees.

Within this Group Share Ownership Plan, the mutual fund consisting exclusively of Pierre et Vacances shares represented 0.24% of the capital at 30 September 2015 (20,960 shares).

6.3.4 EMPLOYEE PROFIT-SHARING

A special Group employee profit-sharing agreement, covering the majority-controlled French entities, distributes the Group's special profit-sharing reserve (equalling the total special profit-sharing reserves calculated in each company) between all Group employees having an employment contract for more than three months with a participating entity. The special profit-sharing reserve for the Group profit-sharing agreement set aside at 30 September 2015 amounts to 124,092 euros.

Amounts paid for Group profit-sharing in previous financial years:

2013/2014	/
2012/2013	€14,293
2011/2012	€271,786
2010/2011	€474,700

6.3.5 NOTICE OF THE BREACHING OF SHAREHOLDING THRESHOLDS

None.

6.3.6 SHAREHOLDERS' AGREEMENTS

Under the framework of the strategic partnership agreement signed on 6 November 2015 between the company under Chinese law, HNA Tourism Group (HNA), and Pierre et Vacances SA, HNA intends to subscribe to a capital increase with the cancellation of preferential subscription rights, enabling it to own 10% of the capital of Pierre et Vacances SA after the operation.

On this occasion, the companies S.I.T.I. and HNA drew up a shareholding pact, constituting concerted action between them relative to Pierre et Vacances SA. Under this framework, S.I.T.I. and HNA solicited and obtained from the financial markets authority a derogation from the obligation to register a public tender offer for Pierre et Vacances shares.

The main clauses of the pact are the following:

- **Governance:** HNA will have two representatives on the Pierre et Vacances SA Board of Directors. To this end, S.I.T.I. pledges to vote in favour of the resolutions that are to be proposed to the Annual Shareholders Meeting with a view to these nominations. The parties also agree that (i) the S.I.T.I. board members will represent the majority of the members of the Board of Directors and (ii) for as long as the lock-up clause remains valid (see below), the number of board members can only be increased by four members over and above the nine current members and the two board members representing HNA, namely a maximum number of 15 board members.
- **Standstill:** HNA pledges not to detain, directly or *via* the intermediary of its affiliates, more than 15% of the capital and voting rights of Pierre et Vacances SA, unless it passively crosses this threshold due to an operation under the responsibility of Pierre et Vacances SA or S.I.T.I. This threshold of 15% will be increased to 20% if S.I.T.I. (i) owns more than 50% of Pierre et Vacances SA voting rights and a third party were to own more than 15% of the capital and voting rights of Pierre et Vacances SA, or (ii) comes to own less than 50% of the voting rights of Pierre et Vacances SA.

This pledge does not prevent HAN from (i) making a counter-bid in the event of a public offer to acquire Pierre & Vacances shares, (ii) offering to buy S.I.T.I.'s shareholding in the event of Mr Gérard Brémond's death or in the event of the sale of all or some of his shares by S.I.T.I. if this sale causes the loss of control (as described in Article L. 233-3, I, 1° of the code of commerce) by S.I.T.I. over Pierre et Vacances SA.

- **Lock-up:** HNA pledges not to svoff Pierre et Vacances shares until the nearest of the following dates:
  - the loss of the exclusive right of the joint company to create with a view to development in China and,
  - five years as of the date the Chinese administrative authorisation necessary for the joint company's activity is obtained.

As an exception, HNA may in particular: (i) reclass its Pierre et Vacances shares with one of its affiliates, (ii) offer its shares to a public tender and (iii) pledge its shares.

Assuming a loss of the joint company's above-mentioned exclusivity right in application of the cases planned for by the joint company contract, HNA and S.I.T.I. will consult each other with a view to selling off the Pierre et Vacances shares owned by HNA to one or several buyers. As of this loss of exclusivity right, (i) S.I.T.I. will benefit from a pre-emptive right on any disposal of Pierre et Vacances shares by HNA and (ii) HNA will no longer benefit from representatives on the Pierre et Vacances SA Board of Directors and will no longer exercise the voting rights attached to its shares.

- **Consultation prior to all acquisitions or share disposals:** Assuming that one of the parties would like to acquire or sell Pierre et Vacances shares, the parties pledge to concert with each other prior to any action in order to take all measures necessary to avoid the obligation of having to register a public tender offer for all of the Pierre et Vacances SA shares. S.I.T.I. and HNA pledge to mutually inform each other, within five trading days, of any increase or decrease in their stake in Pierre et Vacances.
- **Start and end-date of shareholding pact:** Subject to S.I.T.I.'s pledge relative to the nomination of HNA's representatives on the Pierre et Vacances Board of Directors, this having becoming valid when the pact was signed, the pact is to become effective as of the date of the reserved capital increase for HNA and is to end (i) if S.I.T.I.'s stake in Pierre et Vacances falls to below 43% of voting rights within two years of HNA having entered the capital, or below 40% at the end of this two-year period, (ii) if a third party were to acquire more than 20% of the capital of Pierre et Vacances whereas S.I.T.I. owns less than 50% of voting rights at Pierre et Vacances, (iii) assuming an obligatory public repurchase offer is registered as under article 236–6, 2° of the AMF's general rules and (iv) if S.I.T.I. launches a public offer to acquire Pierre et Vacances shares. The end of the pact will automatically end the concerted action between S.I.T.I. and HNA.

6.3.7 REPORT ON TREASURY SHARES

Within the framework of the treasury share buy-back programme authorised by the Shareholders' Ordinary Meeting of 5 March 2015, in the period from 5 March 2015 to 30 September 2015, the Company acquired 29,791 shares as part of the AMAFI liquidity agreement at an average price of €29.04. During this same period, 33,164 shares were sold at an average price of €29.03 as part of the AMAFI agreement.

Furthermore, on 30 September 2015, 32 shares were issued from the treasury account following a conversion request on 32 OCEANEs.

Using the authorisations granted by the Shareholders' Ordinary Meeting of 2 March 2006, on 21 July 2006, the Board of Directors instituted a Pierre & Vacances share purchase option plan involving 16,500 shares for the benefit of Group managers with a high level of responsibility. Under this plan, options were granted to 20 beneficiaries for the purchase of 16,500 treasury shares at €80.12 each. The option price at grant date reflects the average Pierre et Vacances SA share price during the 20 trading sessions preceding the launch of the plan, less a 5% discount. To date, 11,500 options are outstanding and 5,000 options have lapsed.

Using the authorisations granted by the Shareholders' Ordinary Meeting of 2 March 2006, on 9 January 2007, the Board of Directors instituted a Pierre et Vacances share purchase option plan involving 46,875 shares for the benefit of Group managers with a high level of responsibility. Under this plan, options were granted to 19 beneficiaries for the purchase of 46,875 treasury shares at €87.40 each. The option price at grant date reflects the average Pierre et Vacances SA share price during the 20 trading sessions preceding the launch of the plan, less a 5% discount. To date, 46,875 options are outstanding.

Using the authorisations granted by the Shareholders' Ordinary Meeting of 2 March 2006, on 7 January 2008, the Board of Directors instituted a Pierre et Vacances share purchase option plan involving 38,375 shares for the benefit of Group managers with a high level of responsibility. Under this plan, options were granted to 10 beneficiaries for the purchase of 38,375 treasury shares at €86.10 each. The option price at grant date reflects the average Pierre et Vacances SA share price during the 20 trading sessions preceding the launch of the plan, less a 5% discount. To date, 38,375 options are outstanding.

Using the authorisations granted by the Shareholders' Ordinary Meeting of 14 February 2008, on 12 January 2009, the Board of Directors instituted a Pierre et Vacances share purchase option plan involving 5,000 shares for the benefit of a Group manager with a high level of responsibility. Under this plan, options were granted to a beneficiary for the purchase of 5,000 treasury shares at €39.35 each. The option price at grant date reflects the average Pierre et Vacances SA share price during the 20 trading sessions preceding the launch of the plan. To date, 5,000 options are outstanding.

Using the authorisations granted by the Shareholders' Ordinary Meeting of 3 March 2011, on 3 March 2011, the Board of Directors instituted a Pierre et Vacances share purchase option plan involving 222,500 shares for the benefit of 41 Group managers with a high level of responsibility. Under this plan, options were granted to 41 beneficiaries for the purchase of 222,500 treasury shares at €63.93 each. The option price at grant date reflects the average Pierre et Vacances SA share price during the 20 trading sessions preceding the launch of the plan. To date, 144,500 options are outstanding and 78,000 options have lapsed.

Using the authorisations granted by the Shareholders' Ordinary Meeting of 6 March 2012, on 28 May 2013, the Board of Directors introduced a Pierre & Vacances bonus share plan which involved granting a maximum of 229,768 shares to 50 top executives within the Group, the bonus share grant being subject to performance requirements and not being made final until the end of a vesting period expiring on 31 December 2015, said shares originating from buybacks made by the Company. To date, 187,657 bonus shares have been granted to 47 beneficiaries under this plan.

Using the authorisations granted by the Shareholders' Ordinary Meeting of 6 March 2012, on 3 September 2013, the Board of Directors introduced a Pierre & Vacances bonus share plan which involved granting a maximum of 13,333 shares to 2 top executives within the Group, the bonus share grant being subject to performance requirements and not being made final until the end of a vesting period expiring on 31 December 2015, said shares originating from buybacks made by the Company.

Using the authorisations granted by the Shareholders' Ordinary Meeting of 6 March 2012, on 2 December 2013, the Board of Directors introduced a Pierre & Vacances bonus share plan which involved granting a maximum of 15,555 shares to 4 top executives within the Group, the bonus share grant being subject to performance requirements and not being made final until the end of a vesting period expiring on 31 December 2015, said shares originating from buybacks made by the Company.

Using the authorisations granted by the Shareholders' Ordinary Meeting of 13 March 2014, on 26 May 2014, the Board of Directors introduced a Pierre & Vacances bonus share plan which involved granting a maximum of 20,889 shares to 3 top executives within the Group, the bonus share grant being subject to performance requirements and not being made final until the end of a vesting period expiring on 31 December 2016, said shares originating from buybacks made by the Company.

Using the authorisations granted by the Shareholders' Ordinary Meeting of 13 March 2014, on 2 December 2014, the Board of Directors introduced a Pierre & Vacances bonus share plan which involved granting a maximum of 2,222 shares to one top executive within the Group, the bonus share grant being subject to performance requirements and not being made final until the end of a vesting period expiring on 31 December 2016, said shares originating from buybacks made by the Company.

At 30 September 2015, the Company held 373,345 treasury shares, of which 5,394 were part of the liquidity agreement and 367,951 were held under the buy-back programme.

The 367,951 shares held under the buy-back programme are reserved for the plans listed above.

The Company has asked Natixis to implement a liquidity agreement according to the Code of Ethics established by the *Association Française des Marchés Financiers* (the French Financial Markets Professional Association, or AMAFI) and approved by the *Autorité des Marchés Financiers* (the French Financial Markets Authority, or AMF).

Since the authorisation given by the Shareholders' Ordinary Meeting of 5 March 2015 authorising a share buyback programme expires on 5 September 2016, a new authorisation will be submitted for approval to the Shareholders' Ordinary Meeting called to approve the financial statements for the year ended 30 September 2015.

6.3.8 POLICY OF DIVIDEND PAYMENTS OVER THE LAST FIVE FINANCIAL YEARS – TIME LIMIT FOR DIVIDEND CLAIMS

Over the last five financial years, Pierre et Vacances SA has made the following dividend payments:

Financial year for which the dividend was paid	Number of shares(1)	Par value *(in €)*	Net dividend *(in €)*
2009/2010	8,749,035	10	0.70
2010/2011	8,517,904	10	0.70
2011/2012	8,453,568	10	/
2012/2013	8,448,844	10	/
2013/2014	8,444,461	10	/

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

The dividend policy is based on the Group's profit (loss) from ordinary activities, financial position and projected financial needs. Thus, no guarantee can be given as to the amount of dividend payments for a given financial year. Unclaimed dividends are forfeited to the French government five years after they become payable.

Given the Group's 2015 results, the non-payment of a dividend will be proposed to the Shareholders' Ordinary Meeting of 4 February 2016.

Financial instrument pledges granted involving Pierre et Vacances SA shares

Name of shareholder recorded on the purely nominee account	Beneficiary	Start date	Maturity date	Number of shares pledged
SA S.I.T.I.	NEUFLIZE OBC	22 March 2011	30 April 2016	900,000 or 10.20% of the issuer's share capital

6.4 STOCK MARKET INDICATORS

Share

As at 30 November 2015, Pierre & Vacances shares are listed on the Eurolist of Euronext Paris (Compartment B) and are included in the CAC All-Tradable, CAC Mid & Small 190, CAC Travel & Leisure and CAC Small 90 indexes.

Share trading over the last 18 months:

Period	Number of shares exchanged	Issued capital *(in € millions)*	Adjusted highs and lows	
			Highest	Lowest
June 2014	133,339	4.68	37.46	32.70
July 2014	134,724	4.14	33.77	27.75
August 2014	121,284	3.39	30.9	24.95
September 2014	108,701	3.00	30.86	24.30
October 2014	282,478	6.21	24.98	19.02
November 2014	137,468	2.87	23.00	18.75
December 2014	188,481	4.46	26.94	20.38
January 2015	141,247	3.43	26.2	21.65
February 2015	125,189	3.29	27.19	24.51
March 2015	123,403	3.28	28.24	24.18
April 2015	86,911	2.53	30.45	27.45
May 2015	115,242	3.54	32.49	28.1
June 2015	92,504	2.85	32.5	28.1
July 2015	103,425	3.21	33.46	27.51
August 2015	41,026	1.18	30.37	26.01
September 2015	84,868	2.31	28.73	24.01
October 2015	148,771	3.62	25.6	23.51
November 2015	278,217	7.61	30.49	23.51

(Source: Euronext).

Convertible bonds

ORNANE

In February 2014, the Company issued bonds redeemable in cash and new or existing shares (ORNANE), maturing on 1 October 2019. These bonds were admitted for trading on Euronext Paris on 12 February 2014.

Share trading over the last 18 months:

	Price	
Period	Highest	Lowest
June 2014	41.91	39.00
July 2014	39.76	36.98
August 2014	38.93	35.91
September 2014	38.94	34.98
October 2014	35.94	33.38
November 2014	36.29	34.98
December 2014	37.24	35.34
January 2015	37.75	35.72
February 2015	38.39	37.31
March 2015	38.82	37.37
April 2015	39.24	38.02
May 2015	39.95	38.35
June 2015	39.93	37.90
July 2015	40.20	38.08
August 2015	39.29	37.45
September 2015	38.47	35.93
October 2015	36.78	34.50
November 2015	38.52	34.39

(Source: Euronext).

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ADDITIONAL INFORMATION

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7.1 PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT AND AUDITING THE FINANCIAL STATEMENTS

7.1.1 NAME OF THE PERSON ASSUMING RESPONSIBILITY FOR THE REGISTRATION DOCUMENT

Gérard Brémond, Chairman and Chief Executive Officer.

This information is provided under the sole responsibility of the executives of the Company.

7.2.2 DECLARATION OF THE PERSON ASSUMING RESPONSIBILITY FOR THE REGISTRATION DOCUMENT

I hereby certify, after taking all reasonable measures to that effect, that the information contained in this Registration document is, to the best of my knowledge, accurate and does not include any omission that would distort its substance.

I hereby certify that, to the best of my knowledge, the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, financial position and results of the Company and all companies in the Group, and that the management report given on page 58 and above and the following presents a true and fair picture of the changes in the business, the results and the financial position of the Company and all companies in the Group, as well as a description of the main risks and uncertainties they face.

The consolidated financial statements for the year ended 30 September 2015 presented in section 4 of this Registration document are the subject of a report by the independent auditors included in the same section. This report contains an observation on the impacts of the new standards implemented by the Company as of 1 October 2014, notably application of standards IFRS 10 (Consolidated Financial Statements), IFRS 11 (Partnerships) and IFRS 12 (Disclosure of Interests in Other Entities).

Furthermore, the consolidated financial statements to 30 September 2014 are the subject of a report by the independent auditors which contains an observation on a change in accounting policies that occurred after the previous financial reporting date and arose as a result of the application of the amendments to IAS 19 “Employee Benefits”.

I have obtained an audit completion letter from the independent auditors, in which they indicate that they have audited the information concerning the financial position and financial statements presented in this Registration document, and have read the entire document.

Paris, 15 December 2015
Gérard Brémond,
Chairman and Chief Executive Officer

7.2 STATUTORY AUDITORS

Principal Statutory Auditors:

ERNST & YOUNG & Autres

Bruno BIZET

1/2, place des Saisons – 92400 COURBEVOIE-PARIS-LA DÉFENSE 1, France

First appointed by the General Meeting of 29 May 1990

Reappointed for six years by the General Meeting of 18 February 2010

AACE – Île-de-France – French member of Grant Thornton International

Michel RIGUELLE

100, rue de Courcelles – 75017 PARIS, France

First appointed by the General Meeting of 3 October 1988

Reappointed for six years by the General Meeting of 18 February 2010

Deputy Statutory Auditors:

AUDITEX

1/2, place des Saisons – 92400 COURBEVOIE-PARIS-LA DÉFENSE 1, France

First appointed by the General Meeting of 28 February 2013

GRANT THORNTON

100, rue de Courcelles – 75017 PARIS, France

First appointed by the General Meeting of 28 February 2013

The Auditors' mandates are due to expire at the end of the Annual Shareholders Meeting deciding on the accounts for the financial year ending 30 September 2015. The Meeting will be requested to:

- renew the mandate of company Ernst & Young et Autres, as Statutory Auditor;
- renew the mandate of company Auditex, as Deputy Statutory Auditor;
- nominate the company Grant Thornton, as Auditor;
- nominate the company Institut de Gestion et d'Expertise Comptable – IGEC, as Deputy Statutory Auditor;

for a six-year period, namely until the end of the Annual Shareholders Meeting due to decide on the accounts for the financial year ending 30 September 2021.

7.3 FEES PAID TO THE STATUTORY AUDITORS AND MEMBERS OF THEIR NETWORK

	Ernst & Young & Autres				AACE – Île-de-France			
	Amount		%		Amount		%	
(in € thousands)	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014
Audit								
Statutory audits, certifications, examination of individual and consolidated financial statements	1,145	1,357	54%	65%	282	373	100%	94%
Issuer	260	324	12%	15%	123	147	44%	37%
Fully integrated subsidiaries	885	1,033	42%	49%	159	226	56%	57%
Other examinations and services directly associated with the task of the Statutory Auditor	47	177	2%	8%		23		6%
Issuer	47	107	2%	5%		15		4%
Fully integrated subsidiaries		70		3%		8		2%
SUB-TOTAL	**1,192**	**1,534**	**57%**	**73%**	**282**	**396**	**100%**	**100%**
Other services provided by the networks to fully integrated subsidiaries								
Legal, fiscal, social	913	566	43%	27%				
Others (to be specified if > 10% of the audit fees)								
SUB-TOTAL	**913**	**566**	**43%**	**27%**				
TOTAL	**2,105**	**2,100**	**100%**	**100%**	**282**	**396**	**100%**	**100%**

The parent company and consolidated financial statements of the Center Parcs Europe subgroup for 2014/2015 and 2013/2014 have been audited by the auditors of the Ernst & Young network in the Netherlands, Germany and Belgium and by Ernst & Young & Autres in France.

In addition, fees for taxation services relate to the review work carried out in 2014/2015 by members of the Ernst & Young network as part of non-recurring operations in the Netherlands.

7.4 INFORMATION INCORPORATED BY REFERENCE

In accordance with Article 28 of Commission Regulation (EC) No. 809/2004, the following information is incorporated by reference in the present Registration document:

- the consolidated financial statements and corresponding audit reports shown on pages 78 to 144 (financial report) of the 2013/2014 Registration document registered with the AMF on 20 January 2015 under number D. 15-0026;
- the consolidated financial statements and corresponding audit reports shown on pages 72 to 136 (financial report) of the 2012/2013 Registration document registered with the AMF on 15 January 2014 under number D. 14-0017;
- the Group management report shown on pages 30 to 77 (financial report) of the 2013/2014 Registration document filed with the AMF on 20 January 2015 under number D. 15-0026;
- the Group management report shown on pages 26 to 28 (financial report) of the 2012/2013 Registration document filed with the AMF on 15 January 2014 under number D. 14-0017;
- parts not included in these documents are either irrelevant to the investor or covered elsewhere in the Registration document.

7.5 ANNUAL INFORMATION DOCUMENT

The list of information[21] published or made public by the Pierre & Vacances-Center Parcs Group over the last twelve months, pursuant to Article L. 451-1-1 of the French Monetary and Financial Code and article 222–7 of the French Financial Markets Authority (AMF) General Regulations.

Financial results

- 2013/2014 Registration document:
  - filed with the AMF on 20 January 2015 under No. D. 15-0026;
  - notice of the publication of the 2013/2014 Registration document, published on 21 January 2015;
- Shareholders' Combined Ordinary Meeting of 5 March 2015:
  - meeting notice, published in the French bulletin of obligatory legal announcements (BALO) of 26 January 2015 (bulletin No. 11);
  - meeting notice, published in the French bulletin of obligatory legal announcements (BALO) of 16 February 2015 (bulletin No. 20);
  - Procedures for obtaining copies or viewing preparatory documents for the 2015 Shareholders' Meeting published on 16 February 2015;
  - notice of the availability of preparatory documents;
  - voting results on resolutions;
  - parent company financial statements – Certifications of the Statutory Auditors on the parent company financial statements and the consolidated financial statements, published in the French bulletin of obligatory legal announcements (BALO) of 25 March 2015 (bulletin No. 36);
- Financial information:
  - 1st quarter 2014/2015, published on 22 January 2015;
  - 2nd quarter 2014/2015, published on 16 April 2015;
  - 3rd quarter 2014/2015, published on 16 July 2015;
  - 4th quarter 2014/2015, published on 15 October 2015;
- 1st half of the 2014/2015 financial year:
  - Results of the first half of 2014/2015, published on 27 May 2015;
  - 2014/2015 half-year financial report, published on 31 May 2015;
- Annual results for 2014/2015, published on 26 November 2015.

Transactions on the share capital

- Half-yearly report on the liquidity agreement:
  - at 31 December 2014, published on 8 January 2015;
  - at 30 June 2015, published on 7 July 2015;
- Monthly declarations of the number of shares and rights on 31 December 2014, 31 January, 28 February, 31 March, 30 April, 31 May, 30 June, 31 July, 31 August, 31 October, 30 November and 31 December 2015.

Other information

- "Partnership between Beijing Capital Land and Pierre & Vacances-Center Parcs" published on 4 December 2014;
- "Partnership between Morgan Stanley Real Estate Investing and Pierre & Vacances-Center Parcs" published on 22 January 2015;
- "HNA Tourism – Pierre & Vacances-Center Parcs Group agreement protocol" published on 2 July 2015;
- "Signature of strategic partnership agreements between the Pierre & Vacances-Center Parcs and HNA Tourism groups" published on 9 November 2015.

(21) Information available on the Pierre et Vacances website at http://groupepvcp.com and in the French Bulletin of Obligatory Legal Announcements (BALO).

7.6 CONCORDANCE TABLES

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