Groupe
Pierre & Vacances
CenterParcs

First quarter 2019/2020 revenue

Paris, 21 January 2020

Revenue* from the tourism businesses
up 14.2% over Q1 2019/2020

1] First quarter 2019/2020 revenue

Under IFRS accounting rules, Q1 2019/2020 revenue totalled €334.5 million (€265.5 million for the tourism activities and €69.0 million for the property development activities).

The Group nevertheless continues to comment on its revenue and the associated financial indicators, in compliance with its operating reporting namely:

- with the presentation of joint undertakings under proportional consolidation,
- excluding the impact of IFRS16 application.

A reconciliation table presenting revenue stemming from operating reporting and revenue under IFRS accounting is presented in the appendix at the end of the press release.

€ millions	**2019/2020** *according to operating reporting*	**2018/2019** *according to operating reporting*	**Change**	Like-for-like change*
Tourism	**281.9**	**246.9**	**+14.2%**	
Pierre et Vacances Tourisme Europe	96.2	92.2	+4.4%	
Center Parcs Europe**	185.7	154.7	+20.0%	
o/w accommodation revenue	***191.9***	***169.7***	***+13.1%***	**+6.8%**
Pierre et Vacances Tourisme Europe	*67.8*	*66.0*	*+2.6%*	+2.3%
*Center Parcs Europe***	*124.2*	*103.7*	*+19.8%*	+9.4%
Property development	**93.1**	**146.1**	**-36.2%**	
Total Q1	**375.0**	**393.0**	**-4.6%**	

** On a like-for-like basis, the Group's accommodation revenue has been adjusted for the impact of:*

- a beneficial calendar effect (one extra holiday day in December 2019 vs. December 2018)
- in the PVTE division, a net reduction in the network operated related to:
- for mountain resorts: the impact of the non-renewal of leases, partly offset by the opening of 2 new residences in Meribel and Avoriaz;
- for the Adagio residences: the impact of site renovations (non-commercialised stock), partly offset by the annualised operation of 3 residences
- in the CPE division, net growth in the network operated, primarily related to resumed operation of the Center Parcs Ailette, closed for renovation during Q1 2018/2019 and the Center Parcs Allgau, partly operated during Q1 of the previous year.
*** including Villages Nature Paris (revenue of €7.5m over Q1 2019/2020, of which €5.7m in accommodation revenue)*

**The revenue and financial indicators commented on in this press release stem from operating reporting.*

- **Tourism revenue**

Q1 2019/2020 revenue from the tourism businesses totalled €281.9 million, **up 14.2%** relative to Q1 2018/2019**.**

Accommodation revenue rose 13.1% to €191.9 million, driven by both net average letting rates (+7.8%) and the number of nights sold (+5.0%).

On a like-for-like basis, i.e. excluding supply and calendar effects, revenue was up **6.8%:**

✓ Pierre & Vacances Tourisme Europe contributed €67.8 million, up 2.3% like-for-like.

This growth was driven by all seaside destinations (+5.9% in France and Spain), and by the mountain residences (+2.9%) which posted an occupancy rate of 85% over the quarter. The Adagio residences business (which accounted for 56% of revenue in the Pierre & Vacances Tourisme Europe division in the first quarter of the year), affected by social movements in France, was nevertheless stable over the period.

✓ Center Parcs Europe contributed €124.2 million, showing growth of 9.4% like-for-like.

Growth in activity concerned both the domains located in the Netherlands, Germany and Belgium (+10.5%) and those in France (+7.2%, o/w +5.3% for the Center Parcs domains, and +19.5% for Villages Nature Paris).

Supplementary income grew by 16.5%, with a rise of 20.5% for Center Parcs Europe and 8.7% for Pierre & Vacances Tourisme Europe, mainly due to the development of maeva.com activities.

- **Revenue from property development**

Q1 2019/2020 property development revenue totalled €93.1 million, driven primarily by the contribution from the PV premium residence in Méribel (€28 million), Center Parcs Lot-et-Garonne (€12 million), Senioriales residences (€12 million) and renovation operations at Center Parcs domains (€31 million).

Q1 2018/2019 revenue included the contribution from renovation operations at Center Parcs domains for an amount of €105 million (essentially due to the shift from 2017/2018 to 2018/2019 of signings of block sales for renovation programmes in Belgium and the Netherlands).

Property reservations recorded in the first quarter of the year with individual investors represent sales volumes of €78.5m (vs. €68.4 million in the year-earlier period).

2] Outlook for Q2 2019/2020

In view of reservations to date, up sharply relative to the previous year, the Group is currently estimating growth in tourism business for Q2 2019/2020 relative to Q2 2018/2019. This growth concerns both the Pierre & Vacances Tourisme Europe division and the Center Parcs Europe division.

Revenue from property development in Q2 2019/2020 should be higher than the level seen in Q2 2018/2019.

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APPENDIX:
Reconciliation table between revenue stemming from operating reporting and revenue under IFRS accounting.

€ million	**2019/2020** *according to operating reporting*	*Restatement IFRS11*	*Impact IFRS16*	**2019/2020** *IFRS*
Tourism	**281.9**	**-16.4**		**265.5**
Pierre & Vacances Tourisme Europe	96.2	-9.5		86.7
- Center Parcs Europe	185.7	-6.9		178.8
Property development	**93.1**	**-1.6**	**-22.5**	**69.0**
Total Q1	**375.0**	**-18.0**	**-22.5**	**334.5**

IFRS11 adjustments: *for its operating reporting, the Group continues to integrate joint operations under the proportional consolidation method, considering that this presentation is a better reflection of its performance. In contrast, joint ventures are consolidated under equity associates in the consolidated IFRS accounts.*

Impact of IFRS 16:

As set out in the Note on Accounting Principles in the appendix of the Group's consolidated financial statements (see the 2018/2019 Universal Registration Document), application of IFRS16 "Leases" is obligatory for the years starting on or after 1 January 2019, namely the 2019/2020 financial year for the Pierre & Vacances-Center Parcs Group.
The Group has opted for the simplified retrospective transition method, with a retrospective calculation of right-of-use assets. Choosing this method implies that previous periods will not be restated.
The Group's half-year consolidated financial statements for the half-year period ending 31 March 2020 will therefore be drawn up in compliance with IFRS16, with a presentation of the impact of the first application of the standard on 1 October 2019 (right-of-use, lease obligation, equity). For information purposes, lease commitments to owners are listed in off-balance sheet commitments in the Group's 2018/2019 consolidated financial statements.

The application of IFRS16 as of 1st October 2019 implies the cancellation in the consolidated accounts of a percentage of revenue and the capital gain recorded for the disposal operations undertaken as part of third-party property development operations (given the usufruct rights held by the Group), see above for the impact on revenue in the first quarter of the year.
In view of the Group's business model based on its two distinct businesses as monitored and presented in the Group's operating reporting, this restatement does not enable a measurement or reflection of the underlying performance of the property business, which is why, in its financial communication, the Group is continuing to present property operations in the format they are in for operating reporting.