Groupe
Pierre & Vacances
CenterParcs

Third quarter 2020/2021 revenue

Paris, 20 July 2021

Third-quarter affected by lower activity due to the Covid-19 crisis.
Increase in reservations for the fourth quarter.

1] Third quarter 2020/2021 revenue

Under IFRS standards, Q3 2020/2021 revenue totalled €172.5 million (€134.4 million for the tourism activities and €38.0 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 in proportional consolidation,*
- *excluding the impact of IFRS16 application*

Moreover, the operating and legal reorganisation implemented since 1 February 2021 resulting in the regrouping of each of the Group's activities into distinct and autonomous Business Lines, has led to a change in sectoral information in application of IFRS8. The main consequence for communication of the Group's revenue is the presentation of the contribution from the Adagio operating entity. The entity includes the contribution from leases taken out by the PVCP Group and entrusted to the joint-venture Adagio SAS for management, as well as the share of the contribution from Adagio SAS held by the Group.

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	**2020/2021** *according to operating reporting*	**2019/2020** *according to operating reporting*	**Change vs. 2019/ 2020**	**2018/2019** *according to operating reporting*	***Change vs. 2018/ 2019***
Tourism	**139.3**	**51.6**	**+169.6%**	***335.3***	***-58.5%***
- Center Parcs Europe	90.8	32.0	+183.6%	*202.0*	*-55.1%*
- Pierre & Vacances Tourisme Europe	31.6	12.6	+151.5%	*81.2*	*-61.1%*
- Adagio	16.9	7.1	+138.7%	*52.1*	*-67.6%*
o/w accommodation revenue	***93.0***	***32.7***	***+184.1%***	***227.7***	***-59.1%***
- Center Parcs Europe	*61.5*	*22.7*	*+170.8%*	*135.8*	*-54.7%*
- Pierre & Vacances Tourisme Europe	*17.7*	*4.9*	*+265.0%*	*47.5*	*-62.6%*
- Adagio	*13.8*	*5.2*	*+166.2%*	*44.4*	*-69.0%*
Property development	**65.4**	**58.0**	**12.8%**	***36.1***	***+81.0%***
Total Q3	**204.7**	**109.6**	**+86.7%**	***371.5***	***-44.9%***
Tourism	**304.3**	**599.1**	**-49.2%**	***878.8***	***-65.4%***
- Center Parcs Europe	184.0	352.7	-47.8%	*502.0*	*-63.3%*
- Pierre & Vacances Tourisme Europe	77.9	164.6	-52.7%	*243.3*	*-68.0%*
- Adagio	42.3	81.8	-48.2%	*133.5*	*-68.3%*
o/w accommodation revenue	***201.3***	***399.8***	***-49.6%***	***595.2***	***-66.2%***
- Center Parcs Europe	*126.3*	*234.0*	*-46.0%*	*333.2*	*-62.1%*
- Pierre & Vacances Tourisme Europe	*41.1*	*97.1*	*-57.6%*	*147.5*	*-72.1%*
- Adagio	*33.9*	*68.7*	*-50.7%*	*114.5*	*-70.5%*
Property development	**197.6**	**206.6**	**-4.3%**	***230.8***	***-14.4%***
Total 9 months	**501.9**	**805.7**	**-37.7%**	***1,109.6***	***-54.8%***

- ### Tourism revenue

Revenue generated by the tourism businesses in Q3 2020/2021 was affected by a very low level of activity in April (closure of virtually all sites in France and in Germany and reduced offer in the Netherlands and Belgium), followed by a gradual reopening as of May, compared with two months of no activity in the third quarter of 2019/2020.

Revenue totalled €139.3 million, up sharply relative to the year-earlier period, but down by 58.5% relative to the third quarter of 2018/2019:

- Revenue at Center Parcs Europe (€90.8 million) was less than half of the level generated in the same quarter during 2019 (55% decline vs -84% in 2020 vs 2019). More than 60% of revenue was generated by the Dutch and Belgian domains that were open over the entire quarter but with restrictions (accommodation revenue down 31% relative to 2019), whereas most of the German and French domains reopened between mid-May and early June, resulting in a 72% plunge in accommodation revenue relative to 2019;
- Revenue at Pierre & Vacances Tourisme Europe totalled €31.6 million, down 61% relative to 2019 (vs -83% in 2020), with virtually all residences closed until the start of May (or almost one month more of operation than in 2020).
- Adagio continued to suffer from a lack of business and international clients and incurred a deeper decline in revenue relative to Q3 2019 compared with the other tourism business lines, even though activity picked up relative to the situation seen in Q3 2020. Revenue came in at €16.9 million, down 68% relative to Q3 2019 (vs. -88% in 2020).

In all, nine month 2020/2021 revenue from tourism activities totalled €304.3 million, down 65.4% relative to the same period during 2018/2019 and 49.2% relative to the year-earlier period (after a first half down 69.9%).

- ### Revenue from property development

Q3 2020/2021 property development revenue totalled €65.4 million, compared with €58.0 million in the year-earlier period, stemming primarily from Senioriales residences (€16.5 million), the Center Parcs Lot-et-Garonne domain (€13.2 million) and Center Parcs renovation operations (€31.2 million).

Over the first nine months of the year, revenue from property development businesses totalled €197.6 million (compared with €206.6 million over the year-earlier period), of which €50.2 million from Seniorales residences, €30.1 million for the development of the Center Parcs Lot-et-Garonne: and €97.1 million from renovations of Center Parcs domains.

2] Outlook

- ### Conciliation

Following numerous discussions with several representatives of private landlords, the Group sent to its individual landlords a draft amendment to their lease contracts in early July. This amendment, which includes several compensatory measures and commitments by the Group, proposes, under certain terms and conditions, the payment of an amount representing 50% of the contractual rent for the period from March 15, 2020 to June 30, 2021.

With regard to the continuation of rent payments as of July 1st, 2021, the draft amendment provides for two options for the owners to choose from:
(i) the payment of a fixed rent of 72.5% of the contractual rent until December 31, 2021 and 100% after that date; or
(ii) the payment of a variable rent, with a minimum guarantee of 50% of the contractual rent over an 18-month period, from July 1st, 2021 to December 31st, 2022.

The resumption of rent payments to the landlords who have agreed to sign the amendment will take place between July 2021 and September 15, 2021, depending on the respective dates on which the Group receives the signed amendment.

Discussions with the institutional landlords of the companies included in the scope of the conciliation proceedings have progressed in parallel, and several agreements have already been finalized.

- ### Equity strengthening process

As announced in the press release of last June 24, the Group has received several detailed expressions of interest from French and foreign candidates with different profiles (financial investors, strategic players or sector players) as part of the process of seeking investors to strengthen its equity capital. Further discussions with the candidates and the usual due diligence procedures are being continued as part of this competitive process.

- ### Activity

Since the government announcements at the end of April setting out the easing of restrictions and reopening of places closed to the public, the Group has recorded an increase in weekly reservation flows, especially for the summer season.

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

€ millions	**2020/2021** *according to operating reporting*	*Restatement IFRS11*	*Impact IFRS16*	**2020/2021** *IFRS*
Tourism	**304.3**	**-11.8**		**292.5**
- Center Parcs Europe	184.0	-3.0		181.0
- Pierre & Vacances Tourisme Europe	77.9	0.6		78.5
- Adagio	42.3	-9.4		32.9
Property development	**197.6**	**-8.0**	**-65.1**	**124.5**
Total 9 months	**501.9**	**-19.8**	**-65.1**	**417.0**

€ millions	**2019/2020** *according to operating reporting*	*Restatement IFRS11*	*Impact IFRS16*	**2019/2020** *IFRS*
Tourism	**599.1**	**-28.9**		**570.2**
- Center Parcs Europe	352.7	-12.1		340.6
- Pierre & Vacances Tourisme Europe	164.6	0.0		164.6
- Adagio	81.8	-16.7		65.1
Property development	**206.6**	**-7.8**	**-55.3**	**143.5**
Total 9 months	**805.7**	**-36.7**	**-55.3**	**713.7**

IFRS11 adjustments: *for its operating reporting, the Group continues to integrate joint operations under the proportional integration 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 IFRS16:

The application of IFRS16 as of 1 October 2019 leads to the cancellation, in the financial statements, of a share of revenue and the capital gain for disposals undertaken under the framework of property operations with third-parties (given the Group's right-of-use rights). See below for the impact on nine-month revenue.
Given that the Group's business model is based on two distinct businesses, as monitored and presented in its operating reporting, adjustment for this would not measure and reflect the underlying performance of the Group's property business, and for this reason in its financial communication, the Group continues to present property development operations as they are recorded from its operating monitoring.

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