Press release

FY 2009-2010 net attributable income up 4.7% to €42 million (-2% LFL)

Free cash flow of €38.5 million

Declared cash dividend of 1 euro per share

Plan to sell a group of leisure parks

December 15, 2010 – The Compagnie des Alpes Group (CDA) reported a solid financial performance for the fiscal year ended September 30, 2010 despite a tough economic backdrop as shown by the financial statements approved by the Board of Directors on December 14, 2010.

In millions of euros	FY 2009/2010	FY 2008/2009 actual consolidation scope	Change at actual consolidation scope	FY 2008-2009 like for like	Change at like for like
Consolidated sales	596,6	576,0	3,6%	616,3	-3,1%
EBITDA	167,9	166,6	0,8%	178,9	-6,1%
as % of sales	*28,1*	*28,9*		*29,0*	
Operating income	76,3	83,0	-8,2%	89,7	-14,9%
as % of sales	*12,8*	*14,4*		*14,6*	
Cost of net debt	-18,1	-19,0	-4,5%	-19,0	-4,5%
Tax	-15,9	-23,8	-33,2%	-26,1	-39,2%
Affiliates	3,3	0,3	-	0,3	-
Discontinued operations	1,5	2,6	-	2,6	-
Net attributable income	**42,0**	**40,2**	**4,7%**	**42,9**	**-2,1%**

The Statutory Auditors have performed their audit and the certification report is being released.

Breakdown by business line at September 30, 2010

In millions of euros	Ski areas	Leisure parks	Other	Total
Consolidated sales	365,0	231,4	0,2	596,6
EBITDA	126,2	44,2	- 2,5	167,9
Operating income	70,4	9,4	- 3,5	76,3

Business held up well, particularly in the ski areas, in a glum economic environment where the tourism and leisure fields were hit especially hard.

Group consolidated sales for the 2009-2010 fiscal year came to €597 million, an increase of 3.6% as compared with the previous year on actual consolidation basis while sales fell by 3.1% on a like-for-like basis.

Sales of ski areas (61% of total Group sales) rose 11.2% thanks to the contribution of Deux Alpes Loisirs (DAL), acquired and fully integrated since December 1, 2009. On a like-for-like basis, business fell slightly by 0.9%, a trend attributable to lower land-sales transactions which fell to €2.6 million in 2009-2010 from €4.9 million the year before.

Ski lift sales improved by 0.2% like-for-like and broke down as follows: skier days were down by 3% to 13.9 million skier days while average receipts per skier day were up 3.2%. Following two record years, attendance figures still remained above the level attained in 2006-2007 at 12.2 million skier days.

Sales at leisure parks, which make up 39% of total Group sales, declined 6.5% to €231.4 million. When restated for the effects of closing Aqualibi for renovation work (2008-2009 sales of €4 million and 400,000 visitors), the decline in sales comes to 5.3%, returning sales to a level equal to that of 2007-2008 after a record 2008-2009.

Overall unfavorable external factors such as the weather and the economy depressed attendance, which declined 6.3% to 9 million visits. Visitor spending rose another 1%, demonstrating the Group's intention to maintain and expand its margins over the medium term by enhancing its products rather than adopting a widespread promotional campaign that is aggressive and abusively effective. Such actions are not in keeping with the aim of creating value over the medium-term.

The Group's efforts to control costs combined with the positive outcome of integrating DAL lessened the effects on operating results from the dip in business activity.

Earnings before interest, taxes, depreciation, and amortization (EBITDA) was €167.9 million, a 0.8% increase on an actual consolidation scope and a 6.1% drop on a like-for-like basis. The EBITDA/Sales ratio was 28.1% compared with 28.9% in 2008-2009.

Ski-areas EBITDA rose 7,7% on an actual consolidation scope because of the positive contribution of Deux Alpes Loisirs. Like-for-like, EBITDA dipped 2.5%. Return on investment from the ski areas was strained by lower contributions from land-sales transactions which totaled €1.3 million as opposed to €3.2 million in 2008-2009. Excluding the effect of land-sales transactions, gross operating margin declined 40 bp to 34.5% from 34.9% in 2008-2009 on a like-for-like basis.

Leisure park EBITDA fell 18.1% and the gross operating margin came to 19.1% compared with 22% in 2008-2009. EBITDA was down by 14.0% when revised to take into account exceptional items relating to the closing of Aqualibi for renovation work and the delays in obtaining permits to introduce dolphins to the public at Safari Africain and Planète Sauvage, yielding a gross operating margin of 20.2% compared to 22% in 2009.

EBIT declined 8.2% to €76.3 million. It was reduced by one-time costs of €1.7 million related to the unfavorable outcome of a lawsuit and to the non-recurring provision set aside against the €3 million loss in value of certain equity investments, most of which are slated for disposal. When restated for these exceptional items, operating income was down 2.5% based on real scope of consolidation and 9.8% on a like-for-like basis.

The cost of the net debt was reduced by €2.5 million due to the favorable trend in interest rates, the Group's debt reduction in the wake of generating free cash flow, and its capital increase conducted last July at period end. This income statement item was negatively impacted €1.5 million, however, by restatements made in anticipation of the effects from exercising the swap option on SOFIVAL's 40% equity stake in the Val d'Isère Lift Company. The transaction was done after fiscal year-end.

Net income rose while free cash flow was up.

Group net attributable income rose to €42 million, up 4.7% on an actual consolidation scope and down 2.1% on a like-for-like basis. It was favorably impacted by the significant reduction in tax expense and by the considerable improvement in earnings of equity affiliates. The latter were affected in 2009 by the non-recurring charges for loss of value.

Group operating cash flow was virtually flat at €134 million. Cash generation stayed strong. Free cash flow was nearly €38.5 million as opposed to €57 million in 2008-2009. Given the slump in business, this amount is still in the medium-upper level of the past three years even though the Group carried out a selective but active capital expenditure program.

Owing to the strength of the Group's financial structure and its confidence in its growth and earnings outlook, the Board of Directors voted to propose a €1 dividend per share payable exclusively in cash to the Annual Shareholders' Meeting to be held on March 17, 2011.

Sound financial structure

Net debt is down considerably, falling from €462 million in 2008-2009 to €333 million in 2009-2010.

The ratio of net debt / shareholder's equity is 45% as against 78% at end-September 2009. The net debt / EBITDA ratio slipped below 2 to 1.98x as compared with 2.77x at end-September 2009, placing it well below the bank covenants of 3.5x.

2010-2011 outlook

Ski areas:

- A school vacation schedule whose specifics are spread out over the entire 2010-2011 winter season
- Very good snow conditions at the start of the season
- The usual difficulty in forecasting visitor numbers aggravated by the growth in booking last-minute reservations are nonetheless offset by such positive factors as advance sales, seasonal plans and instructors

Leisure parks:

- A strong start on the year with record performances for those parks hosting Halloween celebrations
- The relaunching of the Walibi brand in the Group's four parks starting April 1, 2011
- Implementation of new attractions at many locations, i.e. Café Grévin, new Aqualibi, Mer de Sable, Walibi World, etc. plus organizing distinctive events
- The integration of Futuroscope

Plan to dispose of seven leisure parks

In keeping with the strategic plans announced at the end of 2008, Compagnie des Alpes intends to cede control of a group of leisure parks whose characteristics of size, activity, and geographic location no longer makes them a good fit within the Group's strategic objectives.

The envisaged deal would be for Compagnie des Alpes to sell its controlling stake in the following parks: Bagatelle park, the Aquarium at Saint Malo, the Mini Chateaux parks and Val de Loire Aquarium, the Bouveret waterpark in Switzerland, Avonturenpark Hellendoorn in the Netherlands and PleasureWood Hills in the United Kingdom. These parks welcomed 1.55 million visitors in fiscal year 2009-2010. They made €28.3 million in sales and €4.9 million of earnings before interest, taxes, depreciation and amortization over the same period.

Even though they have a strong regional presence and a loyal local clientele, these parks offer few synergies with the rest of CDA's parks, nor do they offer the opportunity to further the Group's strategic objectives, which aim firstly to develop its main brands and to integrate the parks more closely around shared ways to create value. The planned disposal thus meets a dual objective of strategic clarification and optimizing the Group's use of capital.

Compagnie des Alpes' preferred objective was to find a buyer having a significant expertise in this business sector, a serious and durable business plan, and the financial means needed to make the capital investments that will allow the parks in question to continue to grow vigorously, even though such expenditures were not a priority for CDA group.

Thus, Compagnie des Alpes has begun exclusive negotiations with the H.I.G. Capital France mutual fund which involves Laurent Bruloy, a well known professional in the industry and former manager of Aqualud du Touquet. Mr. Bruloy presented a strong business plan of high quality that ensures that these parks will remain open and provides for their stepped-up expansion, mainly due to a planned investment program of nearly €20 million over five years.

The parties have now reached an advanced stage in their discussions based on a plan that would entail the acquisition by H.I.G. Capital France in partnership with Laurent Bruloy of control of these parks. At the current stage of the discussions, CDA plans to retain a minority stake in the new entity for a time yet to be set so in particular to facilitate the transition and to help the project to get started.

This plan will be consulted by the personnel's representative bodies of the companies concerned.

The parties decided to conduct their exclusive negotiations until January 31, 2011 at the latest.

Additional information will be provided in the coming weeks if these discussions bear fruit.

Dominique Marcel, Chairman and CEO states, *"Compagnie des Alpes reported results that illustrate the soundness of the Group's economic model and its responsiveness against a backdrop made difficult owing to weather conditions unfavorable to outdoor activities along with a slumping economy. This environment has in no manner dampened our determination to step up the new strategic course initiated at end-2008. The Group has actively pursued the active management of its asset portfolio, proceeded with expansion projects, and put together a new financial structure that now provides additional flexibility to carry out a selective and forward looking growth strategy, both organic and through acquisitions. 2011 already embodies this spirit as we launch projects and make long-term investments in our two business lines. Furthermore, the Group plans to continue with the strategic clarification of its asset portfolio. To do so, it has entered into exclusive negotiations and is an advanced discussion phase with a partner concerning a plan to dispose of seven leisure parks which are not at the core of its strategic and business model".*

You can see the presentation made of the annual financial statements at the information meeting on December 15, 2010 at 8:30 a.m. at the website www.compagniedesalpes.fr, on the homepage under "Information réglementée AMF" > "Autre documentation".

Upcoming meetings:

- 1st quarter sales 2010-2011: Thursday, January 20, 2011 at the close of trading.
- Annual shareholders' meeting: March 17, 2011 at the close of trading.

www.compagniedesalpes.com

Compagnie des Alpes is a major player in producing leisure assets in Europe. It has 36 locations including 15 major ski areas in the Alps among which are Tignes, Val d'Isère, Les Arcs, La Plagne, Les Menuires, Les 2Alpes, Méribel, Chamonix) and 21 leisure parks (of which Parc Astérix, Grévin, Walibi et al covering six European countries: France, Switzerland, the Netherlands, Belgium, Germany and England. It has welcomed nearly 23 million visitors for the fiscal year ended September 30, 2010 and reported consolidated sales of €597 million for a Group net attributable profit of €42 million.

CDA is part of the SBF 250, CAC Mid 100 and CAC Mid&Small 190 indices.
ISIN: FR0000053324; Reuters: CDAF.PA; FTSE: 5755 Recreational services

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