

COMPAGNIE DES ALPES (CDA)

Public company
(with a Management Board and a Supervisory Board)
with share capital of €93,001,554.60
Registered address: 6, place Abel Gance, 92100 Boulogne Billancourt,
Registry of commerce (RCS) number: 349 577 908 R C S Nanterre

A- HALF-YEAR BUSINESS REPORT

I. Business activities and earnings for the period from October 1, 2002 through March 31, 2003

Consolidated figures

(In millions of euros)	Key figures	
	Half-year income 31/03/03	31/03/02 pro forma
Sales	217.4	208.8
Operating income	55.5	49.2
Current income from consolidated companies	48.8	42.2
Income tax	-16.3	-14.8
Share of companies consolidated by the equity method	-0.5	-0.7
Depreciation of goodwill	-2.5	-2.4
Net consolidated income	29.5	24.3
Net attributable income	21.6	17.5

The period from October 1, 2002 through March 31, 2003 is the first Half (H1) of FY 2002/2003 for Compagnie des Alpes Group. This comprises the profitable activities of the "Ski Area" division, which makes nearly 90% of its sales by March 31, as well as the earnings, which are normally negative, for the "Family Leisure" division, in which the main sites are closed during the winter (particularly Parc Astérix). To this should be added the positive earnings of the ski shops and CDA holding company activities, booked together as "Other (o/w ski shops)."

Net attributable income for the half is positive at +€21.6 million, as compared with pro forma income of +€17.5 million at 31 March 2002.

In effect, Compagnie des Alpes's fiscal year having been changed since the closing of the last FY, no earnings had as yet been reported on 31 March.

The figures for the two half-years are comparable inasmuch as the half-year results reported on March 31, 2002 were made for the same scope of consolidation and percentages of holdings as for March 31, 2003. In order to establish pro forma accounts at 31/03/2002, to ensure comparability of current income, neither the main non-recurrent exceptional items nor the exceptional 100% depreciation of the balance of the goodwill on Courmayeur booked in 2002 were included.

The main elements of the half-year income statement from 31/03/2002 to 31/03/2003 may be summed up as follows:

Sales	+ 4.1 %
EBITDA	+ 11.6 %
Operating income	+ 12.9 %
Income before taxes and exceptional items	+ 15.8 %
Net attributable income	+ 23.7 %

First-half income is primarily derived from Ski area activities, whose sales for H1 amounted to €188.8 million, or 86.3 % of Group sales. Ski area sales at 31 March 2003—five weeks before the end of the season—were up by 4.8 % over 2002. Income on operations from Ski Areas increased by €7.9 million, or + 11%, thanks to controlled operating costs, including net allocations for amortization and provisions, the increase of which was limited to 3.2%. This favorable trend is particularly the result of a reduction in leasing costs.

The “Family Leisure” division, for which the first half is a period with very little activity, made sales of €12.4 million, or 5.7 % of total Group sales. The winter half represents only 10% of annual business in this division. The decline of €2.2 million from 2002 to 2003 is essentially due to a slight change in the opening days of some of the seasonal theme parks (beginning of April 2003 instead of end March 2002). The trend seen at 31 March 2003 is therefore not significant as concerns the trends expected by the end of the 2002/2003 FY.

Sporting equipment rentals contributed €2 million to the half-year growth in sales, thanks to an increase in the number of shops in operation.

Net financial income improved slightly thanks primarily to lower interest rates. Pre-tax, pre-exceptionals income for the Group grew by 15.8% in the first half.

The increase in net attributable income is related to the entry into the accounts of all tax credits arising from CDA’s loss carry-forwards as of September 30, 2002. This operation was made possible by the fiscal consolidation of Meribel-Alpina’s earnings, because it was transformed into a general partnership (SNC) during the period.

Data on the holding company

During the first half, sales, mostly comprised of fees and re-billings to subsidiaries, amounted to €5.3 million. Operating income was slightly negative.

Net financial income amounted to €8.4 million. This is comprised essentially of revenues from shareholdings and interest rates paid on company borrowings.

Net income amounted to €5.6 million.

II. Major events during the period

During the half year, CDA carried out a €95 million capital increase for cash. The company’s debt, in the amount of €178M at 30/09/2002, was partially reimbursed and the remainder was re-negotiated. Debt amounted to €93 million at 31/03/2003.

SAS Alpark, with a 13.2% stake in the capital of CDA after the capital increase, was made a member of the CDA Supervisory Board.

Mr. Olivier de Bosredon was made a named to the Management Board, which now counts five members.

Along with changing closing date for the FY, as decided in November 2002, all of the Group’s subsidiaries decided to align their closing dates with that of CDA, i.e., 30 September 2003, except for companies consolidated by the equity method (i.e., Saas Fee Bergbahnen and Televerbier) and those of the Mont Blanc et Cie. group, which are consolidated proportionally and close on May 31.

As part of the move toward simplification of structures, SA Musee Grévin sold its shareholdings in France Miniature to Grévin & Cie.

A tax entity consolidating Grévin & Cie, Musée Grévin, SMVP and France Miniature into the CDA parent company was created.

CDA carried out a takeover bid followed by the obligatory de-listing of Grévin & Cie shares.

Later, CDA sold Grévin & Cie 75,808 of its own Grévin & Cie shares. These shares are earmarked for disposal when stock option purchases are exercised. Grévin & Cie awarded 78,550 new stock options to its managing directors. This amount corresponded to the remaining authorization given at the Annual Shareholders’ Meeting on June 7, 2001. The total number of valid options to purchase Grévin & Cie shares thus became 368,386, representing 8.6% of the share capital.

In January 2003, Grévin & Cie acquired BICI Entertainment, which operates the Aquaparc du Bouveret in Switzerland.

SELALP acquired an additional 2.5% of SAP, increasing its stake to 97.8%.

Net financial investments for the CDA Group amounted to €13 million.

Capital expenditures amounted to approximately €40 million.

The share of the main operations related to the first half of 2002/2003 is as follows:

- o the link between Les Arcs – La Plagne, €4 m (cumulative total of €7.3 million at 31/03/2003 for a total investment commitment of €15 million); service is scheduled to begin in December 2003
- o the St Martin de Belleville gondola, €3 million, and the les Tommeuses detachable chair lift at Tignes, €2 million. Both of these were put into service this winter.
- o the TransDémonium at Parc Asterix, €5.6 million. It went into service in April 2003.

III. Major events since the end of the half year.

Mr. Patrice Garnier having submitted his resignation as Chairman of the Supervisory Board, Mr. Michel Gonnet (Chairman and CEO of Caisse des Dépôts-Développement) was named Chairman of the CDA Supervisory Board. Mr. Patrice Garnier remains on the Board where he will preside the Audit and Accounts committee.

In its June 4, 2003 meeting, the Management Board, in accordance with the authorization given by the Extraordinary Shareholders' Meeting of March 14, 2003, attributed 164,740 options to buy CDA shares. 75,000 of these stock options were attributed to members of the Management Board, after approval by the Supervisory Board. This represents a total of 2.70% of the company's share capital. The shares will be issued at a price of €45.19 each.

IV. Analysis of the winter season and outlook for the future.

The winter season was very good overall for ski area activities, due to exceptional snowfall and sunny weather. All of the mountains and resorts benefited from these conditions, and the Ski Lift industry as a whole climbed by 9% for the year in France. CDA Group companies also profited from the good 2002/2003 season, with sales at end May up by approximately 7.5%, slightly less than the industry overall.

This progress includes a 3.2% increase in volume (number of skier days) and a 4.2% increase in average receipts per skier day.

Summer 2003 sales for ski areas, however, should decline as compared with summer 2002, due to fewer sales of building rights and the prolonged heat wave.

For the Family Leisure division, the beginning of the season was marked by a significant increase in visitor numbers and in sales for the theme parks, especially Parc Asterix, Bagatelle and Hellendoorn. However, the segment including Animal Parks (zoos) and Tourist attractions (Aquarium de Touraine, Musée Grévin, Aquarium de Saint-Malo) was affected by the decline in tourism. Overall, activities and sales for the beginning of the season are in line with forecasts.

Total investments for FY2002/2003 should amount to €100 million, including 70% in CAPEX for ski areas. This program, which included the continuation or the completion of major works projects (linking Arcs and La Plagne, the Samoëns gondola which will go into operation in the 2003/2004 winter season), is a coherent response to the mid-range growth outlook in the Ski Area division, taking account of the real estate development planned for Compagnie des Alpes resorts.

B- CONSOLIDATED FINANCIAL STATEMENTS

I –Consolidated balance sheet as of March 31, 2003

(in EURO '000)

ASSETS in euros '000

	31/03/03	30/09/02	31/05/02*
Fixed assets			
Goodwill	99,048	96,736	39,162
Intangible fixed assets	66,472	63,172	50,411
Tangible fixed assets	448,833	427,698	272,008
Financial fixed assets	20,210	21,522	21,770
Shares in companies accounted for by the equity method	13,301	14,121	15,767
	647,864	623,248	399,118
Total fixed assets			
Current assets			
Inventories and work-in-progress	14,467	11,146	7,856
Accounts receivable - trade	52,390	47,214	21,337
Other receivables and accruals	26,720	14,569	7,032
Sub-total	93,577	72,928	36,225
	84,234	22,949	51,769
Cash and cash equivalents			
Total current assets	177,811	95,877	87,994
Total assets	825,675	719,125	487,112

LIABILITIES in euros '000

	31/03/03	30/09/02	31/05/02*
Shareholders' equity			
Equity capital	93,001	63,683	63,683
Additional paid-in capital	82,074	17,481	17,481
Reserves	73,169	93,956	70,638
Net attributable income	21,635	(11,033)	23,318
Currency translation variance	864	1,008	977
Total shareholders' equity	270,743	165,095	176,097
Minority interests in income	7,819	(3,579)	1,390
Minority interests in reserves	25,812	34,932	23,888
Minority interests	33,631	31,353	25,278
Total shareholders' equity	304,374	196,448	201,375
<i>Investment subsidies</i>	2,572	1,531	1,348
Provisions for contingent liabilities	39,963	37,535	35,278
Borrowings and bank debt (1)	328,413	372,266	160,781
Operating liabilities	123,029	91,524	78,095
Other liabilities and accruals	27,324	19,821	10,235
Sub-total operating liabilities and others	150,353	111,345	88,330
Total liabilities	825,675	719,125	487,112
(1) including cash and cash equivalents	25,982	55,499	13,610

* Real published figures not including Grévin & Cie

II – Consolidated half-year income statement as of March 31, 2003

(in EURO '000)

	31/03/03 6 months	31/03/02 6 months pro forma	30/09/02 4 months	31/05/02* 12 months
Sales	217,438	208,778	50,640	231,761
Other operating income	4,488	1,581	1,127	3,359
Total operating income	221,926	210,359	51,767	235,120
Inventory purchases and variations	-19,232	-18,725	-10,243	-20,223
External services	-32,691	-33,740	-15,777	-39,302
Taxes, duties and related payments	-14,269	12,736	-3,805	-17,737
Personnel costs and employee profit sharing	-62,494	-58,303	-20,030	-65,050
Other operating expenses	-14,275	-16,127	-3,763	-21,822
Total operating expenses (excluding amortization, depreciation and operating provisions)	-142,961	-139,631	-53,617	-164,134
Gross operating income (EBITDA)	78,965	70,728	-1,850	70,986
Net amortization, depreciation and operating provisions	-23,997	-22,162	-11,751	-22,758
Other operating income	564	619	1014	2,993
Operating income (EBIT)	55,532	49,185	-12,587	51,221
Net financial income	-6,728	-7,024	-3,619	-6,970
Pre-tax income of consolidated companies before extraordinary items	48,804	42,161	-16,206	44,251
Income tax	-16,316	-14,750	4,284	-15,823
Net income of consolidated companies	32,488	27,411	-11,922	28,428
Share in equity affiliates income	-534	-747	-1,677	711
Amortization and recovery of goodwill	-2,500	-2,406	-1,013	-4,431
Consolidated net income	29,454	24,258	-14,612	24,708
Minority interest in income	-7,819	-6,771	3,579	-1,390
Net attributable income	21,635	17,487	-11,033	23,318
Net earnings per share (EPS - in euros)	€3.55?	€2.87?	-€0.64?	€5.58?
Net diluted earnings per share according to theoretical fund investment method (in euros)	€3.42?	€2.77?	-€0.46?	€5.37?

* real published figures, excluding Grévin & Cie

III – Consolidated cash flow table

(in EUR '000)

	31/03/03 6 months	30/09/02 4 months	31/05/02* 12 months
Net attributable income	21,635	-11,033	23,318
Minority interest in income	7,819	-3,579	1,390
Total net income	29,454	-14,612	24,708
Expense and recovery of amortization, depreciation and provisions	27,674	13,366	25,510
Subsidies added to income statement	-41	-24	-109
Capital gains and losses	-218	-1,100	86
Share in equity affiliates' income	534	1,677	-711
Dividends from equity affiliates	145	0	200
Deferred tax	-5,456	4,471	1,323
Other	87	88	0
Total cash flow	52,179	3,866	51,007
Elimination of non-operating income and expenses	2,132	2,237	7,124
Variation in trade receivables and payables	30,233	-31,168	8,362
Operating cash flow	84,544	-25,065	66,493
Acquisition of tangible and intangible assets	-38,402	-28,719	-40,671
Sales or transfers of tangible and intangible assets	808	156	2,310
Net Capital expenditure	-37,594	-28,562	-38,361
Acquisitions of long-term financial assets	-17,506	-139,534	-12,941
Sales or transfers of long-term financial assets	4,254	4,001	2,482
Impact of changes in scope of consolidation	591	3,727	
Net change in financial long-term assets	-12,661	-131,806	-10,459
Variation in receivables and payables:			
- on net capital expenditure	-5,580	5,606	-2,275
- on long-term financial assets	-61	81	101
Investment cash flow	-55,896	-154,681	-50,994
Capital increase of CDA	93,911	0	293
Minority interest in subsidiaries' capital increase	650	6,008	50
Variation in equity capital	94,561	6,008	343
Dividends paid to CDA shareholders	-9,754	0	-6,248
Dividends paid to minority interests in subsidiaries	-1,436	-504	-1,113
Total dividends paid	-11,190	-504	-7,361
Variation in financial debt	-15,014	106,068	-5,798
Interest payments	-6,046	-3,019	-7,837
Variation in miscellaneous receivables and payables	-153	338	-200
Cash flow on financing	62,158	108,890	-20,853
Impact of changes in scope of consolidation and other movements	-4	147	120
Change in cash and cash equivalents during the fiscal year	90,802	-70,709	-5,234
Net cash at year opening	-32,550	38,159	43,393
Net cash at year closing	58,252	-32,550	38,159

* real published figures, excluding Grévin & Cie

IV – Changes in attributable shareholders' equity

(in EUR '000)

	Capital stock	Paid-in surplus	Consolidated Reserves	Net income in FY	Currency translation variance	Total shareholder equity
Situation as of May 31, 2002	63,683	17,481	70,638	23,318	977	176,097
Dividend Distribution			23,318	-23,318		
Net attributable income				-11,033		-11,033
Currency translation variance					31	31
Situation as of September 30, 2002	63,683	17,481	93,956	-11,033	1008	165,095
Capital increases, CDA	29,318	64,593				93,911
Dividend Distribution			-20,787	11,033		-9,754
Net attributable income				21,635		21,635
Currency translation variance					-144	-144
Situation as of March 31, 2003	93,001	82,074	73,169	21,635	864	270,743

V – Appendix to the Consolidated Half-Year Accounts at 31/03/2003

Note 1- FIRST HALF YEAR CLOSING AT MARCH 31

After the acquisition of Grévin & Cie by Compagnie des Alpes during the summer of 2002, the annual closing date for CDA was moved from May 31 to September 30. Thus, books were closed on September 30, 2002 for an exceptional financial year of four months (from June 1 through September 30, 2002).

Consequently, the financial statements at March 31, 2003 are the first half-year statements for the Group at this date. For this reason, these financial statements include pro-forma figures for a six month period at March 31, 2002, for purposes of comparison. (See Note 2).

Note 2- ACCOUNTING PRINCIPLES, RULES and METHODS

The half-year accounts (from October 1, 2002 through March 31, 2003) were drawn up in accordance with the principles and methods used for the Compagnie des Alpes annual accounts. These principles and methods are applied pursuant to the act of June 22, 1999 confirming Regulation 99-02 of the French Accounting Regulatory Authority (*Comité de Réglementation Comptable - CRC*).

- Accounting impact of seasonal activities

The first half-year earnings figures for the Compagnie des Alpes Group (fall and winter) combine a part of the earnings of the “Family Leisure” division, which are normally negative during the period due to the very low level of activity during the winter, as well as the very positive results of the “Ski Area” division (three of the four months of the winter season are included in this period).

The impact of seasonal activities on the financial statements may be broken down as follows:

- Taxes

- ➔ Drawing up interim statements at March 31 for companies which are “structurally” in deficit at that date (Family Leisure) leads to an unrealized tax credit resulting from losses on the half year.

These interim statements are drawn up for all of the companies, including those which do not pay corporate income tax on 30 September, up to the limit of anticipated taxes to be paid on the second half.

- ➔ Drawing up interim statements at March 31 for companies showing a profit at that date (Ski areas and Other o/w ski shops) leads to entry of income taxes for the half-year.

- Personnel costs

The principle is to book expenses on employee profit-sharing and retirement to the profitable half-year:

- ➔ For Ski Area activities and Ski Shops, annual forecast expenses are booked at 31 March;

- ➔ for Family Leisure activities, no interim statements are drawn up for the period ending March 31, with the exception of companies that have significant activity over the entire year or activities that have expenses payable during the period.

- Information on tax rates

To calculate tax credits or expenses, the rate applied is the normal tax rate in France (34.33% plus the special welfare tax on profits (*Contribution Sociale sur les Bénéfices*), if applicable, or the normal local tax rate for foreign companies.

- Determination of sales figures

- For Ski Area activities, deferred revenues correspond to receipts for services not yet “consumed” and booked at 31 March. For the most part this is composed of lift tickets issued before March 31 but not yet expired by this date.

- for Ski Shops, in cases where the rental was not paid when the material was checked out, an entry for the deferred revenue is booked at March 31: this includes all products not yet returned

- for Family Leisure activities, the applicable principle for booking pre-sold tickets as sales revenues is that they will be booked when they are actually used. (These tickets are valid for a two-year period, the year they are issued and the following year.)
- Separate business activity information

With the extension of its scope of activities, the CDA Group enters the purview of the application of Rule (*Règlement*) 99-02 on separate business activity information, both for each business activity and each geographic area.

The threshold of 10% of total business to identify a separate activity or area was determined for a full year of Group activity and not only for the six-month period ending March 31 (i.e., during the winter season underway and before the summer season).

. There are three business activities:

- Ski Area activities

This activity primarily concerns the sale of ski lift tickets, the sale of building rights and the receipts of the restaurants in the winter resorts.

Family Leisure activities

This activity concerns the companies of Grévin & Cie Group: it is comprised of the sales of entrance tickets, restaurant receipts and other shop and lodging receipts.

- Other (including Ski Shops)

This activity includes rental and sales of ski equipment and the CDA holding company.

. The geographical areas are:

- France ;
- elsewhere in Europe.

. Contents of activity information

- Operating assets are broken down by business activity and geographic area, as in Note 9
- Operating income is broken down by activity, as in Note 9.

Information is supplied for each geographical area and business activity net of intra-activity and intra-area transactions. However, inter-activity and inter-area transactions are identified.

Note 3 – SCOPE OF CONSOLIDATION

• Change as compared with the pro forma half-year closing at 31 March 2002

- On June 1, 2002, Compagnie des Alpes opened up 4.88% of the capital of its subsidiary, SELALP, which had been a 100% CDA holding. SELALP in turn holds the Group's interests in SAP (La Plagne), SMA (Les Arcs) and STAG (Peisey-Nancroix). It also holds the Group interests in the future Les Arcs-La Plagne link.

- From June 26 through July 29, 2002, Compagnie des Alpes carried out a takeover bid of all for the outstanding shares in Grévin & Cie, including the convertible bonds issued by the company.

At the end of the takeover bid, Compagnie des Alpes held 95.87% of the capital of Grévin & Cie. This amount was increased to 95.95% at 30 September 2002 after additional share acquisitions, as well as all 144,500 outstanding convertible bonds, giving right to 11,560 shares.

• Change as compared with the previous annual closing at 30 September 2002

- Compagnie des Alpes then made a public offer for the retirement, followed by the de-listing, of Grévin & Cie shares. At the outcome of this operation begun in December 2002 and completed in the beginning of January 2003, Compagnie des Alpes held 100% of Grévin & Cie at 31 March 2003.

As part of the simplification of company structure, Musée Grévin sold Grévin & Cie its shares in its subsidiary France Miniature.

- SELALP, a 95.12% holding of Compagnie des Alpes, increased its stake in SAP (La Plagne) by 2.75% during the last quarter of 2002.

- New sporting goods shops were acquired at Val d'Isère with the purchase of nearly 90% of the shares in Precision Ski System. This operation was carried out in early January 2003 by Favre Sports, a 45% subsidiary of Ski Shop SAS, itself a 100% holding of Compagnie des Alpes.

- In January 2003 Grévin & Cie acquired 100% of BICI Entertainment which operates the Aquaparc du Bouveret in Valais, Switzerland.

- Comparability of accounts

The pro forma half-year consolidated income statement at 31 March is drawn up according to the scope of consolidation and percentage of holdings at 31 March 2003. In particular, the following restatements were carried out:

- For the activities “Ski Area” and Other (o/w Ski Shops):
 - ➔ consolidation at March 31, 2002 of three months of the activity of Precision Ski System ;
 - ➔ application of the new 2003 percentages of shareholdings to the 2002 earnings of SELALP and SAP.
 - ➔ specific financial expenses assumed by Compagnie des Alpes to finance the acquisition of Grévin & Cie (takeover and de-listing) were also booked at March 31, 2002.

Moreover the change in the new structure established to manage the new scope was taken into consideration in the pro forma presentation.

- For the activities in the “Family Leisure” division :
 - ➔ consolidation at 31 March 2002 of three months of activity of BICI Entertainment.
 - ➔ consolidation at 31 March 2002 of six months of activity of Fort Fun acquired on April 18, 2002 ;
 - ➔ consolidation at 31 March 2002 of six months of activity for Grevin Avonturenpark, Aquarium du Val de Loire and Mini-Chateaux, whose assets were taken over during the half year closed 31 March 2002.
- Moreover, the main non-recurrent exceptional items (-€1.0 million), booked under “Other operating income”, were eliminated. They essentially concern the “Ski Area” division in the amount of pour €1.0 million, before taxes. Likewise, the exceptional depreciation on March 31, 2002 of the remainder of goodwill on the acquisition of CMBF (Courmayeur), i.e., attributable share of €1.3 million, was offset.

Generally speaking, the pro forma half-year accounts at 31 March 2002 are based in part on management data available from companies within the CDA and Grévin & Cie Groups (before takeover). However, most of the necessary information was obtained thanks to interim and annual accounts published by the two entities before their merger. (i.e., dated 30/11/01, 31/12/01, 31/05/02 and 30/06/02.)

The change in revenues and expenses between the half-year 2003 income and the pro forma half-year 2002 income is commented upon in the half-year report on activities.

The pro forma consolidated income statement at 31 March 2002 presented in comparison with the income statement at 31 March 2003 in the summary accounts is commented upon by business activity in Note 9 until Operating Income.

Also presented below, for comparison with the half-year income statements at March 31 2003 (actual) and 2002 (pro forma), are the pro forma 12-month 2001/2002 income statements. These were published along with the annual accounts at 30 September 2002.

	31/03/02 6 months	31/03/02 6 months pro forma	2001/2002 12 months pro forma
Sales	217,438	208,778	346,000
EBITDA	78,965	70,728	97,406
Net amortization, depreciation and operating provision	-23,997	-22,162	-37,127
Other operating income	564	619	2,832
Net operating income (EBIT)	55,532	49,185	63,111
Net financial income	-6,728	-7,024	-12,362
Consolidated pre-tax income before exceptionals	48,804	42,161	50,749
Income tax	-16,316	-14,750	-18,397
Net income of consolidated companies	32,488	27,411	32,353
Share in equity affiliates	-534	-747	711
Net amortization of goodwill	-2,500	-2,406	-7,422
Net consolidated income	29,454	24,258	25,641
Minority interests	-7,819	-6,771	-1,633
Net attributable income	21,635	17,487	24,008

Note 4 –FIXED ASSETS

	31/05/02 Total	30/09/02 Total	Acquisitions	Disposals	Allowances	Recoveries	Change in scope	Other	31/03/03 Total
Gross values									
Land and improvements	7,185	12,576	246					-1,568	11,254
Slope maintenance	45,218	45,493	1,621					1,070	48,184
Snow-making equipment	27,629	27,631	1,028	-113				3,558	32,104
Buildings, offices, shops and other premises	77,823	218,363	3,135	-865			396	-1,676	219,353
Ski lifts	319,861	318,410	6,702	-299				19,729	344,542
Grooming Equipment	11,968	11,957	3,057	-1,691					13,323
Attractions		52,293	4					2,050	54,347
Material and equipment	25,818	33,008	3,741	-763			1,317	9,037	46,340
Other tangible fixed assets	8,767	101,689	2,376	-868			3,943	-15,930	91,210
Tangible fixed assets in progress	6,254	30,942	15,513	-7				-23,253	23,195
Advances and payments on account for fixed assets	738	2,841	15					-2,563	293
Sub-total, grossvalues	531,261	855,203	37,438	-4,606			5,656	-9,546	884,145
Sub-total, depreciation	-259,253	-			-20,896	4,300	-1,041	9,830	-435,312
		427,505							
Net value	272,008	427,698	37,438	-4,606	-20,896	4,300	4,615	284	448,833

Capital expenditures (CAPEX) made during the period are broken down as follows, by business activity:

. for the “Ski Areas” business, these concerned partly the completion of CAPEX programs prior to the opening of the winter 2002/2003 season and partly work on particularly significant CAPEX programs for the 2003/2004 season (Les Arcs-La Plagne link).

. for the “Family Leisure” business, CAPEX was in preparation for the spring-summer season.

The column “Others” concerns partly the capitalization of “Ski Areas” fixed assets in progress on September 30 and partly reclassifications between accounts and writeoffs of completely depreciated “Family Leisure” assets.

The table below reconciles the presentation of acquisitions of intangible and tangible fixed assets with the balance sheet and cash flow table:

Acquisition of intangible assets	1,673
Acquisition of tangible assets	37,438
Acquisition of tangible and intangible assets	39,111
Investment subsidies	-709
Acquisition of tangible and intangible fixed assets shown on the cash flow table	38,402

Note 5 – CASH SITUATION

	31/03/03	30/09/02	31/05/02
UCITS and other term investments	30,218	10,776	33,558
-C3D Group	15,600	0	7,541
-Other	5,524	1,546	6,629
Demand deposits	31,451	9,182	3,988
Cash	1,441	1,445	53
Gross value	84,234	22,949	51,769
Provisions for depreciation			
Net value	84,234	22,949	51,769

The change in the cash situation from September 30, 2002 to March 31, 2003 is due to the winter season receipts on the businesses of ski area management and ski shops.

New financing of the “Family Leisure” business during this period – one of low activity for this division – reinforced the upward trends in the cash position of the ski area management and ski shops businesses.

The table below reconciles the March 31, 2003 levels of cash in the balance and net cash in the cash flow table.

Cash, balance sheet	84,234
Receivables from banks and similar institutions	-25,982
Net cash on the table	58,252

Note 6 – PROVISIONS FOR CONTINGENT LIABILITIES

	31/03/0 3	30/09/0 2	31/05/0 2
Provisions for major repairs	20,151	18,926	18,979
Provisions for severance pay on retirement	6,830	6,351	5,859
Provisions for tax adjustments	1,958	1,932	1,932
Other provisions for contingent liabilities	11,024	10,326	8,508
	39,963	37,535	35,278

Note 7 – BORROWINGS AND OTHER NON-TRADE DEBT

• Analysis by type of debt

	Total 31/03/200 3	Total 30/09/200 2	Total 31/05/200 2
Bonds	1,717	1,586	1,558
Bank borrowings	273,668	243,389	119,192
Other borrowings and similar debt	4,114	5,771	5,849
Partners’ advances	511	42,931	185
Leasing debt	16,873	18,244	16,440
Interest due	1,325	1,870	876
Balances due to banks and similar	25,982	55,499	13,609
Employee profit sharing	3,273	2,873	2,962
Others	950	103	110
	328,413	372,266	160,781

The decline in non-trade debt since September 30, 2002 is essentially due to the capital increase at Compagnie des Alpes in October and November 2002. This operation permitted a refinancing, at the level of €5 million, of the short-term debt contracted at the time of the takeover bid for Grévin & Cie. The remainder of this financing has been converted into long-term debt (9 to 12 years).

• Hedging instruments

The principal change since September 30, 2002 is that Compagnie des Alpes and Grévin & Cie have set up interest-rate hedges:

- for Compagnie des Alpes, these took the form of 1 year swaps (€40.5 m on March 31, 2003) and three-year collars (€40.5 m on March 31, 2003).
- for Grévin & Cie, these took the form of a 6 1/2 interest rate swap (€8.3 m on March 31, 2003) and a four-year collar (€3 m on March 31, 2003).

. Information on clauses of loan contracts

The new loans contracted by Compagnie des Alpes since September 30, 2002 include clauses requiring advance repayment under certain conditions. The ratios used are based on the Group's consolidated financial statements (gearing and coverage of debt service). These conditions have been substantially respected by the Group.

New loan contracts include a clause requiring that the C3D group continue to hold a minimum of 33 1/3% of Grévin & Cie.

. Information on interest rates

	31/03/2003	30/09/2002	31/05/2002
	3	2	2
Fixed-rate debt	4.31%	4.26%	4.49%
Variable-rate debt	3.42%	4.03%	4.25%
Debt on leasing	6.64%	6.53%	6.86%
	3.74%	4.27%	4.65%

With the drop in short-term rates, the reference for variable-rate loans, the average interest rate applied to Group borrowings continued to decline

Note 8 – INCOME TAX

Income tax liabilities are as follows:

	31/03/03	30/09/02	31/05/02
Tax payable on current net income	-21,772	8,755	-14,500
Deferred tax on current net income	5,456	-4,471	-1,323
	-16,316	4,284	-15,823

In conformity with Note 2 on accounting principles, a tax credit is entered in the books on the base of negative pre-tax income of "Family Leisure" businesses during the period.

Note 9 – INFORMATION BY BUSINESS ACTIVITY

• SALES BY BUSINESS ACTIVITY AND GEOGRAPHIC AREA

Country	"Ski Area" Division	Family Leisure	Others (o/w ski shops)	Intra-group eliminations	31/03/03	31/03/02 pro forma
France	180,987	6,957	21,555	-5,367	204,132	
Europe (excluding France)	7,821	5,485			13,306	
31/03/03 Total	188,808	12,442	21,555	-5,367	217,438	
France	173,570	7,688	19,376	-5,171		195,463
Europe (excluding France)	6,382	6,933				13,315
31/03/02 pro forma Total	179,952	14,621	19,376	-5,171		208,778

• OPERATING INCOME BY BUSINESS ACTIVITY

	"Ski Area" Division		Family Leisure		Others (o/w ski shops)		Intra-group eliminations		Total	
	31/03/2003	31/03/2002 pro forma	31/03/2003	31/03/2002 pro forma	31/03/2003	31/03/2002 pro forma	31/03/2003	31/03/2002 pro forma	31/03/2003	31/03/2002 pro forma
Sales	188,808	179,952	12,442	14,621	21,555	19,376	-5,367	-5,171	217,438	208,778
Other operating income	3,160	924	707	301	650	356	-29		4,488	1,581
Total operating income	191,968	180,876	13,149	14,922	22,205	19,732	-5,396	-5,171	221,926	210,359
Inventory purchases and variations	-11,180	-9,943	-4,644	4,924	3,455	3,917	47	59	-19,232	-18,725
External services	-20,966	-21,890	-11,333	-12,117	-5,335	-4,598	4,943	4,865	-32,691	-33,740
Taxes, duties and related payments	-12,565	-11,135	-1,258	-1,061	-446	-540			-14,269	-12,736
Personnel costs and employee profit sharing	-40,512	-38,412	-14,678	-14,052	-7,626	-6,008	322	169	-62,494	-58,303
Other operating expenses	-13,717	-15,905	-475	-286	-167	-14	84	78	-14,275	-16,127
Total operating expenses (excluding amortization, depreciation and operating provisions)	-98,940	-97,285	-32,388	-32,440	-17,029	-15,077	5,396	5,171	-142,961	-139,631
Gross operating income (EBITDA)	93,028	83,591	-19,239	-17,518	5,176	4,655			78,965	70,728
Net amortization, depreciation and operating provisions	-14,389	-12,509	-8,432	-8,444	-1,176	-1,209			-23,997	22,162
Other operating income	397	92	110	599	57	-72			564	619
Operating income (EBIT)	79,036	71,174	-27,561	-25,363	4,057	3,374			55,532	49,185

• INFORMATION ON TANGIBLE AND INTANGIBLE FIXED ASSETS (net value) BY BUSINESS LINE AND GEOGRAPHIC AREA

REGION OR COUNTRY	"Ski Area" Division	Family Leisure		31/03/03	30/09/02	31/05/02
FRANCE	319,480	115,150	25,458	460,088	438,437	302,538
-	250,572			250,572	233,557	220,567
-	7,664	3,967		11,631	12,669	9,274
EUROPE (excluding France)	18,937	36,280		55,217	52,433	19,881
tangible and intangible assets TOTAL	338,417	151,430	25,458	515,305	490,870	322,419
Intangible fixed assets				66,472	63,172	50,411
Tangible fixed assets				448,833	427,698	272,008
				515,305	490,870	322,419

Note 10 – OFF-BALANCE SHEET COMMITMENTS

In addition to commitments relative to concession contracts (which have not changed since the September 30, 1992 closing) and to hedging contracts (changes since September 30, 2002 are detailed in Note 7), off-balance sheet commitments are as follows:

. Commitments given

	31/03/03	30/09/02	31/05/02
-Commitments given	8,231	6,343	6,359
o/w backings and sureties	2,796	2,894	2,894

Other than backings and sureties, the principal commitment given is SEVABEL's commitment to the municipality of Saint-Martin de Belleville to assume partial responsibility for trail works.

. RECIPROCAL COMMITMENTS

	31/03/2003	30/09/2002	31/05/2002
Reciprocal commitments	2,279	1,154	1,146

Reciprocal commitments are limited to lease payments remaining due on contracts that were not restated in the consolidated balance sheet.

Among other reciprocal commitments identified on 9/30/02, Compagnie des Alpes commitment to repurchase stock options of Meribel-Alpina was carried out in November 2002.

. COMMITMENTS RECEIVED

The warranties obtained by Compagnie des Alpes and its subsidiaries in the process of acquiring additional shareholdings came to a total of €8.4 m as of March 31, 2003 (€3.6 m as of September 30, 2002). Warranties received by Grévin & Cie at the time of the acquisition of certain companies expired on 12/31/2002.

. OTHER INFORMATION

The land and buildings used by BICI Entertainment, the operator of the Le Bouveret water park acquired in January 2003 by Grévin & Cie (See Note 3), are held under a 30-year rental contract, at a minimum annual rental fee of €700,000.

C. REPORT OF THE STATUTORY AUDITORS ON A LIMITED EXAMINATION OF THE HALF-YEAR CONSOLIDATED ACCOUNTS AT 31 MARCH 2003

As statutory auditors of Compagnie des Alpes, and in application of article L 232-7 of the commercial code, we have performed the following:

- a limited examination of the operating accounts and income statements presented in the form of half-year consolidated accounts for the Compagnie des Alpes, established in euros and covering the six-month period ending 31 March 2003, as they figure in this report;
- the verification of the information given in the half-year report.

These consolidated accounts were established under the responsibility of your Management Board. It is our responsibility, based on our limited examination, to issue an opinion on these accounts.

We have carried out our examination in conformity with the standard of practices applicable in France. These practices call for the application of prescribed diligence providing assurance, of a lower degree than that of an audit, that the consolidated half-year accounts contain no significant anomalies. An examination of this sort does not include all of the controls of an audit. Rather, it is limited to the application of analytical procedures and to obtaining all of the information which we deem necessary from the company's directors and other concerned individuals.

On the basis of our limited examination, we have found no anomalies and have no observation to make concerning the fairness of the information provided in the consolidated half-year accounts, which were drawn up in conformity with French accounting rules and principles, and present a faithful view of the operating results of the half year and the financial situation and holdings of the company at the end of the period.

In conformity with professional standards applicable in France, we have also carried out a verification of the information provided in the half-year report giving commentary on the consolidated half-year accounts which were the subject of our limited examination.

We have no comment to make as to their sincerity and their concordance with the consolidated half-year accounts.

Paris, July 2, 2003
The Statutory Auditors

PricewaterhouseCoopers

Mazars & Guérard

Francis Le Ber

Denis Grison