

LOGO

OFFERING MEMORANDUM

**MADE AVAILABLE TO THE PUBLIC ON THE OCCASION OF A CAPITAL INCREASE
THROUGH ISSUE OF NEW SHARES**



**Registry by the *Commission des Opérations de Bourse*
(SEC equivalent)**

In application of Articles L. 412-1 and L. 621-8 of the Monetary and Financial Code, the *Commission des Opérations de Bourse* has registered this offering memorandum under visa No. 02-1106, dated 23/10/2002. This offering memorandum was issued by the issuer under the responsibility of its signatories. Registry implies neither a judgment that the offer is opportune nor a certification of the accounting and financial elements presented. The memorandum was registered after examination of the pertinence and the consistency of the information provided in the context of the operation proposed to investors.

Legal notice will be published in the *Bulletin des Annonces Légales Obligatoires* for October 25, 2002.

The issue prospectus comprises:

- The Reference Document of Compagnie des Alpes for the fiscal year ending May 31, 2002, filed with the *Commission des Opérations de Bourse* on September 24, 2002 under No. D. 02-1623;
- The update of this reference document, filed with the *Commission des Opérations de Bourse* on October 3, 2002 under No. D. 02-1623A01;
- This offering memorandum.

Copies of the prospectus are available at:

- Compagnie des Alpes (CDA), 6, place Abel Gance, 92100 Boulogne Billancourt;
- CDC IXIS Capital Markets, 3 rue La Fayette, 75009 Paris.

FEATURES OF THE ISSUE AND LISTING OF NEW SHARES

Text of the press release published at the request of the Commission des Opérations de Bourse (COB) in conformity with COB Rule 98-07.

ISSUER

COMPAGNIE DES ALPES

A Public Company with a Management Board and a Supervisory Board with capital of 63,683,370.18 euros and registered headquarters at 6, place Abel Gance, 92100 Boulogne Billancourt. Registry of Commerce in Nanterre, number: 349 577 908 (Siret: 349 577 908 00024 - FTSE: 538 Leisure facilities)

GOAL OF THE OPERATION

From June 26, 2002 through July 29, 2002, Compagnie des Alpes carried out a public takeover of the shares and convertible bonds of Grévin et Compagnie (Cf. Offering Memorandum with COB visa 02-775 dated June 21, 2002).

At October 1, 2002, Compagnie des Alpes held 4,093,062 Grévin et Compagnie shares, or 95.97% of its capital and 97.75% of voting rights, as well as all of the 144,500 convertible bonds targeted by the takeover.

Total cost for the acquisition of shares, including all fees, amounted to approximately €137 million. According to plan, at least 50% and at most 75% of this acquisition cost will be financed through a capital increase, in accordance with the information provided in Chapter I.6. of the above-mentioned Offering Memorandum.

This share issue is intended to cover 69% of the financing of the takeover.

SHARES TO BE ISSUED

The Extraordinary Annual Shareholders' Meeting of Compagnie des Alpes of August 2, 2002 authorized the Management Board to increase the capital of Compagnie des Alpes by a maximum amount of €113 million in three tranches:

- Tranche A, reserved to Alpark;
- Tranche B, open to the public, with a special priority rights period given to previous shareholders;
- Tranche C, reserved to Caisse des Dépôts Développement (C3D).

At its meeting of October 22, 2002, the Management Board of Compagnie des Alpes decided to use its authorization to carry out a capital increase for a total amount of €95,000,004 through the issuance of 1,919,192 new shares with no par value in three tranches, as follows:

- Tranche A: €39,999,960 through the issuance of 808,080 new shares;
- Tranche B: €10,338,867 through the issuance of 208,866 new shares;
- Tranche C: €44,661,177 through the issuance of 902,246 new shares.

New shares are issued at the price of €49.50 per share for all tranches and will begin bearing interest as from June 1, 2001. This price is a 1% discount from the share price at market close (€50.00) on October 21, 2002.

SPECIFICATIONS OF THE SUBSCRIPTION

Subscription for the three tranches is open from October 25, 2002 through November 6, 2002 inclusive.

For Tranche B, former shareholders have a special priority rights subscription period from October 25 through November 1, 2002 inclusive for ONE new share for 20 old shares.

In the event of over-subscription, the public can take part in Tranche B as of October 25, 2002, and will be issued shares at a rate reduced in direct proportion to orders made by former shareholders (in addition to shares reserved to them within the priority rights period).

LISTING

The new shares will be listed on the Second Marché of Euronext Paris on November 13, 2002.

OTHER INFORMATION

Within the terms of the agreement dated May 2, 2002:

- Alpark agrees to subscribe to all of Tranche A;
- C3D agrees to subscribe to Tranche C as well as to its maximum allowance as a former shareholder for Tranche B. Moreover, C3D agrees to purchase all unsubscribed shares in Tranche B.

FINANCIERS INTERMEDIARIES

LEAD MANAGER: CDC IXIS Capital Markets
CUSTODIAN: Euro Emetteurs Finances

INVESTOR RELATIONS

André E. Surelle
Vice President
Tel: 33 (01) 46 94 51 30
Email: andre.surelle@compagniedesalpes.fr

CHAPTER I

PERSON RESPONSIBLE FOR THIS DOCUMENT, STATUTORY AUDITORS AND PERSON RESPONSIBLE FOR PROVIDING INFORMATION

1.1. STATEMENT OF THE PERSON RESPONSIBLE FOR THIS DOCUMENT

“To my knowledge, the data presented in this document are consistent with the actual situation of the company. This document includes all information necessary for investors to form an opinion about the assets, activity, financial situation, profitability and prospects of the Company as well as about the rights pertaining to the securities offered. There are no omissions such as to bear prejudice to such an opinion.”

Jean-Pierre Sonois
Chairman of the Management Board

1.2. STATUTORY AUDITORS

Auditor	Date first appointed	End of current appointment
Mazars & Guérard Represented by Mr. Denis Grison 125 rue de Montreuil - 75011 Paris	November 18, 1998	AGM approving the financial statements for FY 2003/2004
Coopers & Lybrand Audit Represented by Mr. Francis Le Ber 32, rue Guersant - 75017 Paris	January 26, 1989	AGM approving the financial statements for FY 2004/2005
Alternates		
Mr. Guillaume Potel 125 rue de Montreuil - 75011 Paris	November 18, 1998	AGM approving the financial statements for FY 2003/2004
Mr. Yves Nicolas 32, rue Guersant - 75017 Paris	November 17, 2000	AGM approving the financial statements for FY 2005/2006

1.3. Statutory Auditors' Report

As Statutory Auditors of Compagnie des Alpes, and in applying COB Rule 98-01 and in conformity with accounting standards applicable in France, we have verified the information on the financial situation and past and present financial statements Compagnie des Alpes provided in this offering memorandum drawn up on the occasion of the company's capital increase.

This offering memorandum was prepared under the responsibility of the Management Board. It is our responsibility to give an opinion on the genuineness of the information it contains on the financial situation and financial statements of Compagnie des Alpes.

In conformity with professional standards applicable in France, our due diligence consisted in assessing the freedom from misstatement of the information provided on the financial situation and financial statements and verifying their agreement with the financial statements that are the object of this report. It also consisted in reading the other information included in the offering memorandum, in order to identify any significant inconsistencies with the information on the financial situation and financial statements, and to call attention to any manifestly erroneous information that we might have detected on the basis of our general knowledge of the company acquired in the exercise of our responsibilities.

In accordance with professional standards applicable in France, we have audited the consolidated accounts and company accounts for the fiscal years ended May 31, 2000, 2001 and 2002, approved by the Management Board, and certify them without reserves or observations.

Based upon this due diligence, we have no comments to make as to the financial situation and the accounts as presented in this offering memorandum.

Coopers & Lybrand Audit
Francis Le Ber

Mazard & Guerard
Denis Grison



1.4. PERSON RESPONSIBLE FOR THE FINANCIAL INFORMATION

André E. Surelle
Vice President
Tel: 01 46 94 51 30
Email: andre.surelle@compagniedesalpes.fr

CHAPTER 2

ISSUE OF NEW SHARES AND LISTING ON THE SECOND MARCHE OF EURONEXT PARIS

2.1 INFORMATION ON THIS ISSUE

2.1.1. Legal framework of the operation

2.1.1.1. Shareholders meeting authorizing the issue

The following resolutions were voted by the extraordinary meeting of the shareholders of Compagnie des Alpes held on Friday, August 2, 2002:

First resolution (*Authorization to increase the company's capital by issuing new shares within the framework of the partial refinancing of the company's takeover bid on the shares of Grévin et Compagnie and delegation to the Management Board for the implementation thereof*)

Within the framework of the upcoming partial refinancing of the company's takeover bid on the shares of Grévin et Compagnie (the "**Bid**"), the general meeting, ruling in the quorum and majority conditions required for extraordinary meetings, and having heard the report by the Management Board and the special report by the auditors, in accordance with the provisions of Article L 225-129 III of the French Commercial Code:

- 1 Approves the principle of increasing the company's capital by issuing shares, both in France and abroad, to be subscribed for cash, said shares conferring the same rights as existing shares subject, if necessary, to their ex date; it being specified that this capital increase may include up to three distinct tranches, not necessarily cumulative:
 - Tranche A, of a maximum par value of 40 million euros, with revocation of the subscription right in favor of Alpark, a simplified joint stock company undergoing registration with the Registry of commerce of Nanterre ("**Alpark**");
 - Tranche B, of a maximum par value of 10 million euros, with revocation of the subscription right with no beneficiary specified, open to the public, with a priority period (irreducible, that may later be reduced) open to the company's present shareholders;
 - Tranche C, of a maximum par value of 73 million euros, with revocation of the subscription right in favor of Caisse des Dépôts Développement ("**C3D**"), a public company with capital of €471,510,000, registered under the unique number RCS Nanterre B 327 168 746, with headquarters at 6, place Abel Gance, 92652 Boulogne Billancourt.
- 2 Decides that the total par value of the capital increase may not exceed 75% of the price of the Grévin et Compagnie shares acquired during the period, or in the framework of the Bid, plus related expenses (the "**Cost of the Bid**"), i.e. a maximum of €13,000,000.
- 3 Delegates to the Management Board, with the possibility of the latter sub-delegating same in the conditions provided for by law and the following resolutions, for a period of twelve months as from this meeting, all powers necessary (i) to carry out the capital increase, and to set the amounts, within the limit of the aforementioned ceilings, and the conditions of the issues of the different tranches, (ii) to set the subscription price, with or without premium, and the ex date of the new shares, it being specified that the share issue price will be identical for each tranche, and will be at least equal to the average price of the Compagnie des Alpes share as established on the Second Marché of Euronext Paris over ten consecutive business days selected among the last twenty business days preceding the Management Board's decision to implement this delegation, after correction, if necessary, to take into account any ex date difference.

Second resolution (*Delegation to be given to the Management Board to increase the share capital by issue reserved to Alpark (Tranche A)*)

In accordance with, and within the limits set by the first resolution, the general meeting, ruling in the quorum and majority conditions required for extraordinary meetings, and having heard the report by the Management Board and the special report by the auditors, in accordance with the provisions of Article L 225-138 of the French Commercial Code:

- 1 Delegates to the Management Board, for a period of twelve months as from this meeting, all powers necessary to increase the company's capital by issuing shares up to a maximum par value of 40 million euros;
- 2 Decides to revoke the shareholders' subscription right and to reserve subscription to all shares to be issued to Alpark, the general meeting taking note that Alpark has committed to subscribe to the whole of this tranche subject to the suspensive condition of the company holding at least 50.01% of the capital and voting rights in Grévin et Compagnie by the end of the Bid;
- 3 Decides that the share issue price will be at least equal to the average price of the Compagnie des Alpes share as established on the Second Marché of Euronext Paris over ten consecutive business days selected among the last twenty business days preceding the Management Board's decision to implement this delegation, after correction, if necessary, to take into account any ex date difference;
- 4 Decides that the Management Board will have all powers, and may sub-delegate the same in the conditions provided for by law, to implement this authorization within the limits and the conditions specified hereinabove, and in particular to set the conditions of the issue, including the issue price, the ex date of the shares to be issued, the subscription period, to establish the capital increase up to the value of the shares subscribed and to modify the by-laws accordingly, to enter into all agreements, to carry out all transactions and formalities directly or through an agent, to charge any amounts necessary to the issue premiums, to take all measures to carry out the issue, to carry out the formalities resulting from the capital increase and generally, to do all that may be necessary.

Third resolution (*Delegation to be given to the Management Board to increase the share capital by issue of new shares with revocation of the subscription right with no beneficiary specified and granting of a period of priority to present shareholders (Tranche B)*)

In accordance with, and within the limits set by the first resolution, the general meeting, ruling in the quorum and majority conditions required for extraordinary meetings, and having heard the report by the Management Board and the special report by the auditors, in accordance with the provisions of Article L 225-129 III of the French Commercial Code:

- 1 Delegates to the Management Board, for a period of twelve months as from this meeting, all powers necessary to increase the company's capital with revocation of the shareholders' subscription right with no beneficiary specified, by issuing shares, both in France and abroad, to be subscribed for cash, said shares conferring the same rights as existing shares subject to their ex date;
- 2 Decides that the capital increase will be of a maximum total value of 10 million euros;
- 3 Decides to confer to present shareholders priority subscription rights to all issued shares (irreducibly, subject to the Management Board's decision to reduce this right) for a period and in

the conditions that may be set by the Management Board. This subscription priority will not result in the creation of any negotiable rights;

- 4 Decides that the Management Board, with the possibility of the latter sub-delegating same in the conditions provided for by law, will set the amounts and the conditions of the issue, the subscription price, with or without premium, of the shares to be issued, and their ex date, it being specified that the share issue price must be at least equal to the share issue price for the tranche A shares provided for in the second resolution;
- 5 Decides that the Management Board will have all powers, and may sub-delegate the same in the conditions provided for by law, to implement this authorization, and in particular to set the date and the conditions of the issue, to set the ex date of the shares, the subscription period, to charge any amounts necessary to the issue premiums, and generally to take all useful measures and to enter into all agreements required to carry out the planned issue, to establish the capital increase and to modify the by-laws accordingly.

Fourth resolution (*Delegation to be given to the Management Board to increase the share capital by issue reserved to Caisse des Dépôts Développement (C3D) (Tranche C)*)

In accordance with, and within the limits set by the first resolution, the general meeting, ruling in the quorum and majority conditions required for extraordinary meetings, and having heard the report by the Management Board and the special report by the auditors, in accordance with the provisions of Article L 225-138 of the French Commercial Code:

- 1 Delegates to the Management Board, for a period of twelve months as from this meeting, all powers necessary to increase the company's capital, by issuing shares with revocation of the subscription right in favor of C3D, of a value to be calculated by the Management Board in due course, (i) allowing for the refinancing of at least 50% and at most 75% of the Cost of the Bid, including in the calculations the amounts decided upon for Tranches A and B, (ii) in any case allowing C3D, a public sector company, to retain at least 50% of the company's capital if the authorization sought from the Minister of Economy and Finance to go below this threshold is not granted within a deadline compatible with that planned for the capital increase provided for in the first resolution, and (iii) allowing C3D, should the Management Board not use the delegation provided for in the third resolution, to subscribe the amount of tranche B, i.e. 10 million euros, within the total limit of a maximum par value of 73 million euros.
- 2 Decides that the share issue price will be equal to the share issue price for tranche A and tranche B shares as provided for in the second and third resolutions;
- 3 Decides that the Management Board will have all powers, and may sub-delegate the same in the conditions provided for by law, to implement this delegation within the limits and the conditions specified hereinabove, and in particular to set the conditions of the issue, including the issue price, the ex date of the shares to be issued, the subscription period, to establish the capital increase up to the value of the shares subscribed and to modify the by-laws accordingly, to enter into all agreements, to carry out all transactions and formalities directly or through an agent, to charge any amounts necessary to the issue premiums, to take all measures to carry out the issue, to carry out the formalities resulting from the capital increase and generally, to do all that may be necessary.

It should also be recalled that the extraordinary shareholders meeting of August 2, 2002 rejected the 5th draft resolution, which, in accordance with the provisions of Articles L. 225-129 and L. 225-138 of the French Commercial Code and L. 443-5 of the French Labor Code, proposed to authorize the Management Board to increase the share capital for the benefit of employees participating in the CDA and C3D Group Savings Plans who

are employed by either Compagnie des Alpes or companies linked to it under the conditions of Article L.225-180 of the French Commercial Code.

2.1.1.2. Decision of the Management Board

By virtue of the authority vested in it by the extraordinary shareholders meeting of August 2, 2002, and after obtaining the agreement of the Supervisory Board at its meeting of August 30, 2002, the Management Board met on October 22, 2002, and decided to proceed with a capital increase in the amount of 95,000,004 euros, representing 1,919,192 new shares with no par value. The issue will be in three distinct tranches:

- Tranche A, for a total value of €39,999,960 through the issue of 808,080 new shares, with revocation of the right of subscription in favor of Alpark;
- Tranche B, for a total value of €10,338,867 through the issue of 208,866 new shares, with revocation of the subscription right and no beneficiary specified, open to the public, with a period for priority subscription (irreducible, but which may later be reduced) open to the company's present shareholders;
- Tranche C, for a total value of €44,661,177 through the issue of 902,246 new shares with revocation of the subscription right in favor of Caisse des Dépôts Développement.

2.1.2. Issue price

Whether in Tranche A, B or C, the new shares will be issued at a price of 49.50 euros per share, and will have an effective date of June 1, 2001.

In application of the authorization given by the extraordinary shareholders meeting of August 2, 2002, and in conformity with the information provided in Chapter 1.6 of the Offering Memorandum on the takeover bid, this price is higher than the average closing price of shares in Compagnie des Alpes on the Second Marché of Euronext Paris during ten consecutive trading days chosen among the twenty trading days prior to October 22, 2002 (i.e., from October 8 to October 21).

The subscription will be paid in cash at 49.50 euros per share. Shares not paid will be cancelled *ipso jure* with no advance notice.

2.1.3. Total value of the issue

The gross value of the issue (all tranches) will be 95,000,004 euros, through the issue of 1,919,192 shares at a per share price of 49.50 euros. The net proceeds of the issue should be approximately €94.7 million, after remuneration of financial intermediaries and legal and administrative fees.

2.1.4. Restrictions on the sale

Specific regulations may apply in some countries to the dissemination of this offering memorandum or the sale of new shares. Holders of this memorandum should inform themselves of any restrictions and act in conformity with them.

2.1.5. Preferential subscription rights/Priority deadline

In its first resolution voted, the extraordinary shareholders meeting of August 2, 2002 revoked preferential subscription rights on all three tranches, but agreed that existing shareholders in Compagnie des Alpes would have priority in subscribing to Tranche B, subject to deadline date.

2.1.6. Subscription period

The subscription for the three tranches runs from October 25 to November 6, 2002 inclusive.

Existing shareholders will have a priority on purchase shares in Tranche B, at a rate of one new share for every 20 old shares held, running from October 25 to November 1, 2002 inclusive.

Tranche B is also open to the public as of October 25. In case of oversubscription, an identical rate of reduction will be applied to new public subscribers and subscriptions of existing shareholders that are in addition to those reserved for them within the priority deadline.

2.1.7. Organism receiving subscriptions and payments

Subscriptions and payments are received without charge by Euro Emetteurs Finances, 48, boulevard des Batignolles 75850 Paris Cedex 17. This organization is also the depository of funds received in payment.

2.1.8. Delivery and listing of new shares

New shares may be either bearer shares or registered shares, at the choice of the subscriber.

The request for listing on the Second Marché of Euronext Paris will be filed on November 13, 2002.

2.1.9. Performance guarantee – shareholders' intention to subscribe

There is no performance guarantee in the sense of Article 225-145 of the Commercial Code.

The Agreement of May 2, 2002 provides that:

- Alpark is committed to subscribe to all of Tranche A;
- C3D is required to subscribe to Tranche C as well as to the limit of its subscription rights to Tranche B. It is also committed to acquire all other shares in Tranche B that have not been acquired by other existing shareholders through the exercise of their priority rights (See 2.1.6 above).

No other shareholder has informed the management of Compagnie des Alpes of its intention to subscribe to shares in Tranche B of this capital increase.

2.1.10. Purpose of the issue

From June 26, 2002 through July 29, 2002, Compagnie des Alpes carried out a public takeover of the shares and convertible bonds of Grévin et Compagnie (Cf. Offering Memorandum with COB visa 02-775 dated June 21, 2002).

At October 1, 2002, Compagnie des Alpes held 4,093,062 Grévin et Compagnie shares, or 95.97% of its capital and 97.75% of voting rights, as well as all of the 144,500 convertible bonds targeted by the takeover.

Total cost for the acquisition of shares, including all fees, amounted to approximately €137 million.

In the Offering Memorandum relative to the takeover bid (Chapter I.6.), financing of the operation was described as follows:

The maximum total cost to Compagnie des Alpes for the acquisition of the shares of Grévin & Cie is 148,204,036 euros, which corresponds to the acquisition of the 4,430,612 Grévin & Cie shares targeted by the bid at 33.36 euros and the 144,500 Grévin & Cie convertible bonds bid for at 2.76 euros.

The bid will initially be financed by Compagnie des Alpes from available resources – cash and credit lines. It will then be partially refinanced through an increase in the equity capital of Compagnie des Alpes, under the conditions listed below.

On condition of being authorized in advance by the Shareholders' General Meeting of Compagnie des Alpes, this capital increase will in principle be voted by the Management Board of Compagnie des Alpes during the last quarter of 2002. In conformity with the present law, and unless there is a change in the laws, the subscription price will be calculated based on the average of ten consecutive days' market prices, chosen by the Management Board of Compagnie des Alpes from within a period of the twenty trading days preceding the Board's decision to proceed with the capital increase.

This capital increase will be subscribed in part by Alpark. Alpark's financing for this purpose will be in part through bank borrowings and in part from cash contributed by Paroma, a company controlled by the Halley family group. Members of the Management Board of Compagnie des Alpes will also contribute to shareholders' equity of Alpark by contributing shares of Compagnie des Alpes. Mr. Yves Marty, presently a permanent representative of C3D on the Supervisory Board of Compagnie des Alpes, is later expected to join the Management Board of Compagnie des Alpes in a personal capacity. In this case, and still in a personal capacity, he would also participate in this reinforcement of the shareholders' equity of Alpark. Alpark is now being constituted in the form of a French SAS (société par actions simplifiée). The capital increase could take the form of three distinct tranches, not necessarily cumulative, which would be:

- *Tranche A, for 40 million euros, reserved for Alpark;*
- *Tranche B, for 10 million euros, open to the public with irreducible rights for the present shareholders of Compagnie des Alpes ;*
- *Tranche C, reserved for C3D, with the amount to be adjusted to permit this holding to control, directly or indirectly, at least 50% of the share capital of Compagnie des Alpes and at the same time ensure that the total increase in the capital of Compagnie des Alpes will be sufficient to finance at least 50% but not more than 75% of the total cost of the tender offer.*

Compagnie des Alpes reserves the right not to subscribe to tranche B and to transfer all of this tranche to tranche C if the lowest possible subscription price calculated is more than 110% of the average market price on the last trading day preceding the decision of the Management Board to launch the capital increase."

This issue is therefore part of the operation launched in the first half of 2002, since its purpose is to provide partial (69%) refinancing of the takeover bid in the form and conditions initially foreseen.

2.2 GENERAL INFORMATION ON THE NEW SHARES

Rights pertaining to the new shares

The new shares are subject to all provisions of the by-laws of Compagnie des Alpes. They will have an effective date of June 1, 2002, which means that they will receive the same dividend on earnings of FY 2001-2002 as all other shares in effect as of that date. Dividends not claimed within 5 years after the date of payment will revert to the State.

All shares are in the same category and have the same rights pertaining to shares in earnings and in the proceeds of liquidation.

2.2.2. Trading in shares

Shares in Compagnie des Alpes are listed on the Second Marché of Euronext Paris. There is nothing in the by-laws that limits rights to trade all shares.

2.2.3. Registry of shares

New shares may be either bearer shares or registered shares, at the choice of the subscriber.

In accordance with the provisions of Article 94.II of Act 81.1160 of December 30, 1981 (Budget for 1982) and Decree 83.359 of May 2, 1983 concerning rules on securities, shareholders' rights can be exercised by registering the shares in their name in an account with Euro Emetteurs Finances, which holds the registered shares in Compagnie des Alpes, or with any other qualified financial intermediary.

Tax regime applicable to the new shares

The provisions listed below summarize the tax consequences likely to apply to shareholders under current tax legislation. Both individual and corporate shareholders should verify the applicable tax regime with their usual tax advisor.

Shareholders that are non-residents of France for tax purposes should act in conformity with legislation in effect in their country of residence.

▪ **Residents of France for tax purposes**

Tax provisions applying to French residents are as follows, subject to any changes in legislation:

Individuals resident in France for tax purposes

A) **Dividends**

Dividends paid on French shares, with the 50% tax credit included, are considered as revenues on negotiable securities for the purpose of determining total income. They benefit from an annual exemption of 2,440 euros for married couples filing jointly and an exemption of 1,220 euros for persons who are single, divorced or widowed, or for couples filing separately.

Dividends are currently taxed as follows:

- After the exemption, they are taxed at the progressive income tax rate;
- They are subject to the 2% social welfare tax,
- to the general welfare tax (*Contribution Sociale Généralisée* or *CSG*) of 7.5%, of which 5.1% is deductible from taxable income for the year in which the contribution is paid,
- and to the contribution for the repayment of the social welfare debt (*Contribution pour le Remboursement de la Dette Sociale* or *CRDS*) at a rate of 0.5%.

The tax credit attached to dividends paid can be imputed against total income tax payable on the year in which the dividends are received, or reimbursed in case of a tax surplus.

B) **Capital gains**

In application of Article 150 0-A of the General Tax Code (GTC), capital gains on sales of negotiable securities are taxed beginning with the first euro if the total value of securities sold in a given year exceeds the limit fixed for that year (e.g., 7,650 euros for 2002). The capital gains tax is now 26%, divided as follows:

- 16% (Art.200 A.2 of the GTC) as income tax;
- 7.5% for the *Contribution Sociale Généralisée* or *CSG*, of which 5.1% is deductible from taxable income for the year in which the contribution is paid,
- 2% for the social welfare tax;
- and 0.5% as the contribution for the repayment of the social welfare debt (*Contribution pour le Remboursement de la Dette Sociale* or *CRDS*).

Capital losses can only be imputed against capital gains of the same kind earned in 2002 or in the five years following.

C) **Special Regime for Shareholder Savings Accounts (“PEA”)**

D) Shares issued by French companies can be held in the Shareholder Savings Accounts (“PEA”) instituted under Act 92-666 of July 16, 1992.

Under certain conditions, dividends received and capital gains realized on these shares are exempt from income tax, although they remain subject to the *Contribution Sociale* and the *CRDS*.

The table below summarizes the taxes applicable to “PEAs,” depending on how long they have been held:

Duration <i>PEA</i> held	Social welfare tax	C.S.G.	C.R.D.S.	Income tax	Total
Less than 2 years	2 %	7.5 %	0.5 %	22.5 %	32.5 %
2 to 5 years	2 %	7.5 %	0.5 %	16.0 %	26.0 %
More than 5 years	2 %	7.5 %	0.5 %	0.0 %	10.0 %

E) Wealth tax

Shares held by individuals as considered as part of their assets taxable under the wealth tax, if applicable.

F) Inheritance and gift taxes

Shares acquired through inheritance or gifts are subject to the applicable taxation in France.

Corporate shareholders domiciled in France for tax purposes

A) Dividends

(i) Corporations not electing a parent-subsiary regime

Dividends collected are taxed under the normal corporate income tax regime, i.e., the legal income tax rate of 33.33%, increased by an additional 3% for fiscal years ending in 2002, for a total effective tax rate of 34.33%. Under the provisions of Article 235 ter ZC of the new tax code, corporations are also subject to a social contribution of 3.3% of the corporate income tax, subject to a deduction that cannot exceed 763,000 euros per 12-month tax period. However, this social contribution is not required of certain companies whose sales (exc. VAT) are less than 7,630,000 euros and whose equity capital is fully paid in and held at least 75% by individuals, or by other companies that themselves meet all of these conditions.

The new Article 158 bis II of the tax code stipulates that the tax credit attached to dividends that are received by companies either directly or through investment companies is equal to 15% of the net amounts distributed as tax credits used during the year beginning January 1, 2002. As appropriate, and likewise applicable to tax credits used during the year beginning January 1, 2002, this tax credit is increased by an amount corresponding to 70% of the advance deduction paid by the company distributing the dividend, with the exception of payments made out of a reserve for long-term capital gains. The tax credit is imputed to the income tax payable by the company, but any sum in excess of that will not be refunded.

(ii) *Corporations benefiting from a parent-subsidiary regime*

Companies that meet the conditions stipulated in Articles 145 and 216 of the GTC have the option to be exonerated from taxation of dividends if they have chosen a parent-subsidiary tax regime. In this case, the tax credit remains at 50%; it cannot be imputed to corporate income tax but, for a period of five years, may be imputed against the advance payment due in case of a redistribution of dividends. However, Article 216 I of the GTC also stipulates that a share of costs and expenses be included in the taxable income of the company receiving the dividends. This is set at a fixed 5% of gross dividends received, increased by the tax credit, and to the limit of the total amount of expenses of all kinds incurred during the taxable period.

B) Capital gains

Capital gains realized by companies subject to corporate income tax are subject to the general regime currently applicable. Exceptions are:

- An effective rate of 25.75% up to a limit of €38,120. This is based on a base rate 25%, which is reduced to 15% for fiscal years opening after January 1, 2002, both increased by 3% of the amount of the tax.
- An effective rate of 34.33% applied above this amount. This is based on the normal rate of 33.33%, increased by the additional 3% of that amount. It applies to companies with sales (exc. VAT) of less than 7,630,000 euros whose equity capital is fully paid in and held at least 75% by individuals, or by other companies that themselves meet all of these conditions.

In cases that do not meet the above conditions, the effective corporate rate is 35.43%. This is based on the normal rate of 33.33%, increased by an additional 3% of the amount of the tax plus an additional social welfare contribution of 3.3% of the income tax due, less an exemption of up to 763,000 euros per 12-month period.

This notwithstanding, Article 219-I a ter of the GTC provides that capital gains and losses on the sale of securities that are considered as equities in the tax and accounting sense of the term, and have been held for at least two years, are subject to the regime covering long-term capital gains and losses (on condition that a special reserve for long-term capital gains has been set up). This regime is as follows:

- An effective rate of 19.57% (19% plus an additional 3% of the resulting tax) for companies with sales (exc. VAT) of less than 7,630,000 euros whose equity capital is fully paid in and held on a continuous basis at least 75% by individuals, or by other companies that themselves meet all of these conditions.
- An effective rate of 20.19% (19% plus an additional 3% of the resulting tax plus an additional social welfare contribution of 3.3% of the income tax due, less an exemption of up to 763,000 euros per 12-month period) for companies that do not meet the above conditions.

Long-term capital losses may be imputed against long-term capital gains of the same kind during the current fiscal year or the ten fiscal years following. These capital losses are not deductible from income taxed at the normal corporate rate.

Individuals or companies not domiciled in France for tax purposes

A) Dividends

There is a 25% withholding on dividends paid by companies domiciled in France to individuals and companies whose tax domicile or headquarters is not in France.

This withholding can be reduced or abolished through the application of international tax treaties.

As an exception, when dividends of French origin are paid to individuals or companies whose residence or headquarters is not in France and the right of transfer of the tax credit is provided for under double taxation treaties, only the reduced rate of withholding provided for in the treaty applies, provided that the beneficiary justifies his or its status as a non-resident of France under the tax treaty prior to the date of payment of the dividend. (Administrative Instruction 4-J-I-94 of May 13, 1994).

B) Capital gains

Capital gains tax under Article 150 O-A of the GTC does not apply to capital gains of the sale (against payment) of negotiable securities by non-residents of France in the sense of Article 4-B of the Code, or whose headquarters is outside of France. (Art. 244 bis C of the GTC).

C) Wealth tax

In principle, the wealth tax does not apply to individuals residing outside of France in the sense of Article 4-B of the GTC who hold, directly or indirectly, less than 10% of the equity capital of a company – subject to the provisions of international tax treaties.

D) Inheritance and gift taxes

Securities issued by French companies and acquired by non-residents by inheritance or gift are subject to French inheritance and gift taxes. France has concluded tax treaties with a number of countries that are designed to avoid double taxation of gifts and inheritances. The treaties provide that, if certain conditions are met, residents of treaty countries are either exempt from French inheritance or gift taxes or may claim credit for them against taxes due in their country of residence. It is the responsibility of shareholders concerned to consult with their usual tax advisor to determine if such treaty provisions apply in their particular case.

Other shareholders

Shareholders subject to tax regimes other than those described above should consult with their usual tax advisor.

2.2.5. Market in which shares are listed

2.2.5.1. Eligibility of shares for trading

A request will be made that the shares made available for subscription be eligible for trading in the Second Marché of Euronext Paris beginning on November 13, 2002. They will immediately be the equivalent of old shares and will be listed under the same Euroclear Code (005332).

2.2.5.2. Other markets on which shares are listed

None.

2.2.5.3. Trading volumes and price trends of existing shares

	Average weighted price (in euros)	High (in euros)	Low (in euros)	Monthly volume (number of shares)	Transaction value (in EUR million)
2002					
September	52.21	54.00	49.00	29,514	1.541
October*	49.76	52.90	47.00	10,917	0.543

* on October 10, 2002
Fininfo)

(Source

2.3. LEGAL RECOURSE IN CASE OF DISPUTES

In case of disputes, the competent courts will be those of the company's headquarters when the company is the defendant and will be designated in accordance with the nature of the dispute, except when provided otherwise by the New French Code of Civil Procedure (*Nouveau Code de Procédure Civile*).

2.4. SHAREHOLDERS' AGREEMENT

On May 2, 2002, C3D, C3D Investment, Paroma and Alpark concluded an agreement providing for concerted action on the part of C3D and Alpark. This agreement is valid for a period of five years beginning on its date of effect (i.e., subscription by Alpark to the capital increase of Compagnie des Alpes that is the subject of this Memorandum).

The principal provisions of this agreement are provided in the published Compagnie des Alpes Reference Document and a derogation from the required public tender offer was stated (See *Informations et Décisions du Conseil des Marchés Financiers*, a document of the French Financial Markets Council, or *CMF*, No. 202C0657, dated June 7, 2002).

By letter dated July 30, 2002, Intrawest Corporation informed the CMF of the termination of the shareholders agreement in effect with Caisse des Dépôts - Développement (C3D) since May 28, 1998 ((See *Informations et Décisions du Conseil des Marchés Financiers* No. 202C0989, dated August 5, 2002).

To the company's knowledge, there are no other shareholders' agreements affecting shares in Compagnie des Alpes.

2.5. EFFECT OF THE ISSUANCE OF NEW SHARES ON SHAREHOLDERS

The supplementary report of the Management Board, drawn up in accordance with Article 155-2 of the Decree of March 23, 1967, as well as the Special Report of the Statutory Auditors drawn up in accordance with Articles L 225-135 of the Commercial Code and Article 155 of the Decree of March 23, 1967, are available to shareholders at company headquarters. These will also be brought to shareholders' attention at the Annual General Shareholders' Meeting (AGM).

The value per share of attributable shareholders equity of Compagnie des Alpes, on the basis of its reserves and net income as of May 31, 2002, will be 44.47 euros after the realization of the capital increase that is the subject of this Memorandum, as opposed to 42.16 euros beforehand (exclusive of dilution due to the exercise of stock options).

As an example, a shareholder now holding 1% of the present equity capital of Compagnie des Alpes but who does not subscribe to new shares in the context of the priority window for subscription accorded existing shareholders will see his share in equity reduced to 0.69 %.

Breakdown of equity capital before and after the capital increase operation

	Before operation		After operation			
			If all existing shareholders subscribe to Tranche B to the full extent of their rights		If C3D has to exercise its guarantee to take 100% of la Tranche B	
	No. shares	%	No. shares	%	No. shares	%
C3D	1,406,187	33.66%	2,378,742	39.02%	2,517,299	41,29%
C3D Investment*	778,093	18.63%	816,998	13.40%	778,093	12,76%
<i>Total Group</i>	<i>2,184,280</i>	<i>52.29%</i>	<i>3,195,740</i>	<i>52.42%</i>	<i>3,295,392</i>	<i>54,05%</i>
Intrawest Corp.**	308,480	7.38%	323,904	5.31%	308,480	5,06%
Alpark***	0	0.00%	808,080	13.25%	808,080	13,25%
Public and other	1,684,550	40.33%	1,768,778	29.01%	1,684,550	27,63%
Total	4,177,310	100.00%	6,096,502	100.00%	6,096,502	100,00%

* Wholly-owned subsidiary of C3D

** Canadian company specialized in real estate development in vacation areas and operation of ski areas in North America (listed on NYSE, in Montreal and in Toronto)

*** Corporation with simplified structure (Fr: SAS) in which a majority interest is held by Paroma (company controlled by the Halley family) and the remainder by members (and one former member) of the Management Board of Compagnie des Alpes

2.6. WHERE DOCUMENTATION AND INFORMATION RELEVANT TO THE COMPANY CAN BE CONSULTED

Documents and information relative to the company can be consulted at the headquarters of Compagnie des Alpes – 6, place Abel Gance, 92100 Boulogne Billancourt.

2.7. UPDATE OF REFERENCE DOCUMENT UNDER REGISTRY NO. D.02-1623

2.7.1. Information on business activity and income

2.7.1.1. Consolidated sales from June 1 to August 31, 2002

In €uros '000	FY 2002/2003	FY 2001/2002	Change
Ski areas	6 026	5 901	+2,1%
Other activities	5 937	2 517	+135,9%
Family recreation (Grévin et Compagnie)	27 047		
Total sales	39 010	8 418	+363,4%

First quarter (June 1 to August 31, 2002) sales for the Compagnie des Alpes Group were €39 million, up 363% from the previous year. Sales include those of the Grévin et Compagnie Group, the family recreation activity that was consolidated by CDA Group only for the month of August.

The management of Grévin et Compagnie reports that sales of group companies reached €27,047,000 in August 2002, vs. €23,089,000 in August 2001, up 17.1%. This increase stems largely from expansion of the Group's scope of consolidation to include four new sites during the first half of 2002: Val de Loire Aquarium, Mini-Châteaux, Fort Fun in Germany and Hellendoorn in the Netherlands, following on the acquisition of Hardewijk in July 2001.

Excluding Grévin et Compagnie, sales for the quarter reached €12 million, up over 42 % over FY 2001/2002. This growth is due largely to the upswing in land sales (up €3.5m) due to the sale of building rights to Intrawest of Canada. Intrawest is now building a first package of over 180 apartments (about 1,000 beds) at Les Arcs.

Erratum concerning the reference document: The paragraph entitled "Consolidated sales trends" on page 1 of Part I of the reference document should read: "In 5 years, Group consolidated sales grew by an average of 5.5% per year" (not 10.6%).

2.7.1.2. Other information about Grévin et Compagnie

During the first half of 2002, Grévin et Compagnie's sales increased by 48% of the first half of 2001, of which 34.5% was due to changes in the scope of consolidation (acquisitions). Operating expenses will likely increase by 34%, of which 26% due to expansion. Financial expense will be affected by the cost of these acquisitions. The Grévin et Compagnie Group financial statements dated June 30, 2002 will be the subject of a press release on October 25, 2002 and will later appear in the *BALO*.

2.7.1.3. Prospects for the future

The new group (Compagnie des Alpes + Grévin et Compagnie) aims at receiving about 10 million visitors, for close to 20 million visits, by 2005, giving rise to projected consolidated sales of 450 to 500 million euros.

2.7.2. Resolutions to be proposed to the Shareholders' Annual General Meeting (AGM)

2.7.2.1. Supervisory Board and Management Board

The AGM on November 29, 2002 will be requested to name the following persons to the Supervisory Board:

- Mr. Gilles Chabert, who will replace Mr. Michel Aubin for his remaining term of office;
- Alpark (company), as an addition to the present membership.

This will bring the membership of the Supervisory Board to nine.

As concerns the Management Board:

- Mr. Yves Marty, Vice-President and previously permanent representative of C3D on the Board of Directors of Grévin et Compagnie, has been named permanent representative of CDA on this same Board of Directors.
- Mr. Jacques François, Vice-President, has been named to the Board of Directors of Grévin et Compagnie.
- Mr. Laurent Brisset, former Vice-President, has retired and hence ceased to be a member of the board since October 1, 2002.

2.7.2.2. Modification of the end of the fiscal year

As a result of taking control of Grévin et Compagnie, and as a means of improving the quality of financial information, shareholders of Compagnie des Alpes will be asked to approve a change of the end of the fiscal year to September 30 of each year. To do this, Compagnie des Alpes will need to set up an exceptional 4-month fiscal year from June 1 to September 20, 2002.

Fully consolidated subsidiaries will harmonize their closing date with that of Compagnie des Alpes beginning on September 30, 2003.

2.7.2.3. Share repurchase program

The AGM of November 17, 2000 authorized the Management Board to have the company repurchase its own shares. This authorization, which was valid through AGM approving the accounts of FY 2000/2001 (November 16, 2001), was not implemented.

The AGM of November 29, 2002 will be requested to authorize the company to repurchase its own shares in order to regularize the prices at which shares are used in payment of acquisitions, and to improve the management of shareholders' equity.

This authorization will be requested subject to a limit of 417,731 shares, or 6.85% of equity capital after the capital increase discussed in this prospectus.

The minimum purchase and resale prices will be 65 and 35 euros, respectively.

A memorandum on the implementation of this repurchase program is expected to be filed with the French *Commission des Opérations de Bourse* (SEC equivalent) in the coming days, so that shareholders may be aware of its contents no later than November 14, 2002.

2.7.2.4. Proposed appropriation of earnings

Given the completion of the capital increase discussed in this prospectus, and recognizing that net income for the fiscal year was €86,051,396.97, it will be proposed that the AGM allocate these earnings and fix the dividend as follows:

- To an increase in legal reserves: €3,934,364.71,
- To be divided among shareholders as dividend: €9,754,403.20,
- To be carried forward: €72,362,629.06.

As a result, a net dividend of €1.60 will be paid to each share with an effective date of June 1, 2001. Given corporate income paid, this is increased by a tax credit of 50%, for total income per share of €2.40.

The dividend will be detached from the share on December 13, 2002 and paid on the same day.

2.7.2.5. Authorizations to increase equity capital

a) The AGM of November 29, 2002 will be asked to authorize the Management Board to increase the equity capital of Compagnie des Alpes, at one time or over several times and in a proportion of its choosing, and this through the issue of any kind of securities that give access to equity capital of the company immediately or at term, at any time or on a fixed date, whether by subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other way. Such issues shall maintain the preferential rights of shareholders, and be paid for in cash or in compensation for receivables.

The AGM should fix:

- The ceiling of 10,000,000 euros on the amount of the par value of the capital increase that might result from the issue of securities carried out by virtue of the present authorization. This amount includes the par value of shares that may be issued to preserve the rights of holders of securities giving access to shares, as required by law;
- As well as the maximum par value of securities representing receivables on the company that give access to equity capital to be issued by virtue of this authorization in the amount of 10,000,000 euros.

To cover the possibility that exercise of non-reducible and, if appropriate, reducible subscription rights do not suffice to absorb all of the corresponding issue, the AGM will be asked to authorize the Management Board to do one of the following:

- limit the increase to the subscriptions received, on condition that these reach at least three-quarters of the amount of increase agreed;
- distribute as it chooses all or part of the securities not subscribed.

b) At this same AGM, shareholders will be asked to authorize the Management Board to increase the company's equity capital in a manner similar to that presented above, but in eliminating shareholders' preferential subscription rights.

c) Lastly, in conformity with the provisions of Articles L. 225-129 and L. 225-138 of the Commercial Code and Article L. 443-5 of the Labor Code, the AGM will be requested to vote a resolution authorizing the Management Board to increase the company's equity capital for the benefit of employees working for companies that are tied to the CDA or C3D Groups for purposes of Article L.225-180 of the Commercial Code and participating in the CDA Group employee savings plan or the C3D Group employee savings plans.

2.7.2.6. Special premium for holders of registered shares

Compagnie des Alpes has set up a system of discounts on ski passes for individual shareholders, and management will propose to the AGM of November 29, 2002 that it maintain this system on similar lines, in accordance with Articles L.131-2 and L.225-147 of the Commercial Code. On condition that a shareholder hold a minimum of 75 shares for at least 5 months, and that he she/is identified by holding registered shares, that person can receive a 50% discount on ski passes.

2.7.3. Exceptional facts/litigation

To the knowledge of management, at this time there are no exceptional facts or litigation other than those noted in the reference document that could have a significant impact of the business activity, earnings, financial situation or assets of Compagnie des Alpes or its subsidiaries.

CHAPTER 3

INFORMATION ABOUT THE ISSUER

The Compagnie des Alpes reference document filed with the *Commission des Opérations de Bourse* (French equivalent of the SEC) on September 24, 2002 (D. 02-1623) and its update (D. 02-1623A01, dated October 3, 2002), include all information pertaining to Chapter 3. Together with this memorandum, these documents constitute the prospectus for the operation described above.

CHAPTER 4

INFORMATION ABOUT THE BUSINESS ACTIVITY OF COMPAGNIE DES ALPES

The Compagnie des Alpes reference document filed with the *Commission des Opérations de Bourse* (French equivalent of the SEC) on September 24, 2002 (D. 02-1623) and its update (D. 02-1623A01, dated October 3, 2002), include all information pertaining to Chapter 4. Together with this offering memorandum, these documents constitute the prospectus for the operation described above.

CHAPTER 5

ASSETS, FINANCIAL SITUATION, EARNINGS

The Compagnie des Alpes reference document filed with the *Commission des Opérations de Bourse* (French equivalent of the SEC) on September 24, 2002 (D. 02-1623) and its update (D. 02-1623A01, dated October 3, 2002), include all information pertaining to Chapter 5. Together with this memorandum, these documents constitute the prospectus for the operation described above.

CHAPTER 6

INFORMATION ABOUT THE GOVERNANCE, MANAGEMENT AND AUDIT OF THE COMPANY

The Compagnie des Alpes reference document filed with the *Commission des Opérations de Bourse* (French equivalent of the SEC) on September 24, 2002 (D. 02-1623) and its update (D. 02-1623A01, dated October 3, 2002), include all information pertaining to Chapter 6. Together with this memorandum, these documents constitute the prospectus for the operation described above.

Supplement to the reference document

6.1. Remuneration of members of the Management Board and Supervisory Board

Members of the Management Board of Compagnie des Alpes are all employees of C3D on detail to Compagnie des Alpes for the time corresponding to their terms of office at CDA. The gross salaries and perquisites thereby paid by C3D to members of the Management Board and billed by C3D to Compagnie des Alpes for FY 2001/2002 are as follows:

	in euros
Mr. Jean-Pierre Sonois	138,000
Mr. Laurent Brisset	148,000
Mr. Jacques François	188,000
Mr. André Surelle	188,000

Members of the Management Board received no remuneration or perquisites for FY 2001/2002 from Compagnie des Alpes or from companies controlled by Compagnie des Alpes.

Beginning on September 1, 2002, members of the Management Board are directly paid by Compagnie des Alpes.

Members of the Supervisory Board received no remuneration or perquisites for FY 2001/2002 from Compagnie des Alpes or from companies controlled by Compagnie des Alpes. Total Directors fees paid for FY 2001/2002 were 7,000 euros divided as follows:

	in euros
C3D	3,500*
Banque Populaire des Alpes	875
Mr. Jacques Maillot	875
Crédit Agricole des Savoie	875
Michel Aubin	875

*Directors fees paid board members designated by C3D are paid to that company directly.

6.2. Stock options granted or exercised by senior management during fiscal year 2001-2002

Only members of the Management Board receive stock options. None are granted members of the Supervisory Board.

The options listed below were granted under option plan 5 of Compagnie des Alpes. Grants were based on net attributable income of the CDA Group and the price of Compagnie des Alpes shares.

	Number of options granted	Price in €	Exercise date
Mr. Jean-Pierre Sonois	8,669	53.95	29/07/2007
Mr. Laurent Brisset	8,669	53.95	29/07/2007
Mr. Jacques François	8,669	53.95	29/07/2007
Mr. André Surelle	8,669	53.95	29/07/2007

No options were granted by subsidiaries of Compagnie des Alpes.

The following options were exercised by senior management of Compagnie des Alpes during fiscal year 2001-2002:

	Number of options exercised	Strike price in €	Plan No.
Mr. Laurent Brisset	3,750	22.58	1
Mr. Laurent Brisset	2,940	25.41	2
Mr. Laurent Brisset	2,905	29.04	3

As of October 21, 2002, no other options were exercised by senior management.

6.3. Options granted or exercised by the ten highest-paid employees during fiscal year 2001-2002

	Total number of options	Average price or strike price in €	Plan No.
Options granted during the FY	20,588	53.95	5
Options exercised during the FY	1,974	25.41	2

As of October 21, no additional options have been exercised by employees.