

# 2008



## FY 2007/2008

### First-half results

(OCTOBER 1, 2007 / MARCH 31, 2008)

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- ① Significant events of the half-year**
- ② Half-year results
- ③ Assessment of the winter season
- ④ Leisure parks in 2008
- ⑤ Outlook and strategy

# Significant events of the half-year

## ▣ Ski areas (89% of activity)

**Sales: +27.7% on a real basis; +10.9% like-for-like**

- An excellent half-year for the ski areas of all CDA resorts
- Land-sales transactions declined: €0.7 million vs. €5.8 million last year
- A major acquisition → STVI (Val d'Isère), as well as 20% of SERMA (Avoriaz), DSV (Valmorel), and DSR (La Rosière)  
Stake increased to 100% in SELALP
- Closing of the Vanoise Express cable car → reduction of average day-price at Arcs, La Plagne, and Peisey
- Divestment of 20% stake in Aletsch Riederalp (no impact on earnings)

## ▣ Leisure parks (11% of activity)

**Sales: +26.3%**

- Commercial success of openings during Toussaint and Christmas holidays (200,000 visitors)
- Aggressive advance-sale campaigns to boost visitor numbers
- Parc Astérix investments (Caesar's Challenge)
- PanoramaPark sold (Germany)

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# Ski areas

	First-half 2008	First-half 2007	Change % real	H1 2007 like-for-like	Change % like-for-like
Sales	292.6	229.2	+27.7%	263.8	+10.9%
EBITDA	150.3	111.8	+34.4%	131.4	+14.4%
<i>EBITDA / Sales</i>	<b>51.4%</b>	<b>48.8%</b>		<b>49.8%</b>	
EBIT	124.0	91.3	+35.8%	105.8	+17.2%
<i>EBIT / Sales</i>	<b>42.4%</b>	<b>39.8%</b>		<b>40.1%</b>	

- Strong first-half performance by Val d'Isère (fully consolidated): sales €32.1 million, EBITDA €17.3 million, EBIT €14.3 million
- Improved operating margins like-for-like as a result of excellent business and cost control
- Marginal impact of land-sales transactions (EBIT of €0.2 million vs. €2.5 million in 2007)

# Leisure parks

	First-half 2008	First-half 2007	Change %
Sales	37.1	29.4	+26.3%
EBITDA	-33.0	-31.4	-5.1%
EBIT	-48.8	-46.7	-4.5%

- No change in scope of consolidation
- Sales insignificant (10% of annual sales)
- Commercial success of openings during Toussaint and Christmas holidays
- Decline in EBITDA and EBIT:
  - additional expenses for openings during new periods (including publicity costs)
  - provision for dispute (€1.5 million)

# Corporate headquarters

	First-half 2008	First-half 2007	First-half 2006
Sales	0.7	0.9	0.1
EBITDA	-0.8	-4.0	-1.0
EBIT	-1.1	-4.3	-1.1

- No exceptional restructuring costs this year  
(moving and employment preservation plan in first-half 2006/2007)
- Cost control of corporate headquarters

# CDA Group

	First-half 2008	First-half 2007 real	Change % real	First-half 2007 like-for-like	Change % like-for-like
Sales	330.4	259.5	+27.3%	294.1	+12.3%
EBITDA	116.5	76.4	+52.5%	96.0	+21.4%
<i>EBITDA / Sales</i>	<b>35.7%</b>	<b>29.4%</b>		<b>32.6%</b>	
EBIT	74.1	40.3	+83.9%	54.8	+35.2%
<i>EBIT / Sales</i>	<b>22.4%</b>	<b>15.5%</b>		<b>18.6%</b>	
Borrowing costs	-15.3	-11.6	+31.9%	-14.7	+4.1%
Equity method	3.2	0.4	X 8	2.6	+23.1%
Net attributable income	33.0	9.7	X 3.4	19.1	+72.8%

- Increase of margins like-for-like: EBITDA +3.1 pts; EBIT +3.8 pts
- Increase of net borrowing costs:
  - Cost of financing acquisitions (incl. recognition of call option for 40% of STVI)
- Equity method:
  - Effect of changes of scope (20% Serma, 20% DSV, 20% DSR) and good performances of ski areas concerned
- Net attributable income: x 3.4, and +72.8% like-for-like

# Cash flows

## Free cash flow doubled

	3/31/2008	3/31/2007	Change %
Operating cash flow *	86.5	55.2	+56.7%
Net PPE	-64.0	-42.6	+50.2%
Free cash flow	22.5	12.6	+78.6%
Net financial investment	176.4	3.9	NA
Change in capital	+56.4	+1.8	NA
Change in financial debts	+63.9	-68.9	NA

\* After interest and taxes

- Growth of cash flow in line with operating performance: 26.2% of sales (cash flow 2007: 21.3% of sales)
- Increased Capex spending:
  - Implementation of new installations (fixed assets as of 09/30/07)
  - Caesar's Challenge
- Financial investments: €160 million for acquisition of SOFIVAL (incl. €55 million for call option for 40% of STVI) and €8 million for 5% of SELALP
- Capital increases following acquisitions (STVI, SELALP)
- Increased net debt due to acquisitions, partially offset by deleveraged ski area subsidiaries

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# An historic season

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- **Good weather conditions:**
  - 6.2 m of total snowfall vs. 5.7 m (five-year average) at La Plagne (2,100 m)
  - Snowfall consistent over six-month period (November to April)
  - Normal temperatures, good weather
- **Favorable calendar for holidays and public holidays, except for Easter weekend in March**
- **Good performances from sales teams**
- **Accommodation professionals' occupancy rate at March 1st:**  
69% in 2008 vs. 64.7% in 2007; number of stays +6.4% (source: Comète)
- **Significantly improved customer service**
- **Closing of Vanoise Express: no sales of the Paradiski pass**

# Situation at May 12th: ski areas

## Sales performance indicators for the winter season

		Change (like-for-like)	Comments
<b>Volume</b>			
Number of lift tickets	3.7 million	+5.1%	Improved occupancy of resorts + pricing policy + snow conditions + marketing Record visitor numbers Change of multi-day lift tickets
Skier days	13.7 million	+6.8% (+860,000 days)	
Average duration of lift ticket	3.66 days	+1.6%	
<b>Price</b>			
Average total purchases (revenues/lift ticket)	€90.8	+3.3%	Change of weekly lift tickets
Revenues per day	€24.8	+1.6%	Impact of closing of Paradiski
<b>Revenues (all taxes included)</b>	€339 million	+8.5%	Second best performance in ten years after the record year 1997-1998

# Ski areas

## ▣ Continued improvement of customer service

- Choice of investments: slope maintenance, snowmaking, fewer lifts but extended hours
- Customer satisfaction surveys: improved scores on customer satisfaction, 7.8 in 2008 vs. 7.5 in 2007 (60,000 surveys carried out at 17 resorts)

## ▣ QSE Certification: a first in Europe

All French and Italian subsidiaries (12 companies) are certified:

ISO 9001  
OHSAS 18001  
ISO 14001

Service quality  
Staff safety  
Environment

## The Vanoise Express cable car ceases operations

- ▣ Problems detected on main cables at end-November
- ▣ Decision to cease operations made on December 20, 2007
- ▣ Technical and financial examination under way
- ▣ Effects: impact on average daily revenues of the three companies selling Paradiski:

	Change / n-1	Five-year average (2003-2007)
▪ STAG (Peisey Vallandry)	-3.7%	+2.2%
▪ SAP (La Plagne)	-1.9%	+3.9%
▪ SMA (Les Arcs)	+0.3%	+4.5%

- ▣ Replacement of four main cables\*
- ▣ Target: to re-open on December 20, 2008

\*Cost ~€3 million

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## Commercial success of openings during the Toussaint and Christmas holidays

- A long-term strategic decision: extending the season of parks whose features meet criteria for high-quality family entertainment
- Choice of parks: criteria of size, location and brand recognition.
  - In 2007-2008: Parc Astérix, Bellewaerde, Ecomusée.
  - In 2009: Walibi Belgium and Dolfinarium.
- Investments and themed holiday periods
- Intensive advance sales (Groups, works councils)
- More visible advertising
- Over 200,000 visitors (vs. 30,000 in 2006) during the Christmas holidays

The operating performances of new openings are measured on a three-year basis.

## Advance-sales operations

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- Strategy for growth of advance sales (45% of annual visitor numbers) designed to stabilize sales and lower dependence on unpredictable weather conditions.
- As of May 18, advance sales had increased 13% compared with 2007.
- Organization of sales teams by country/region: Belgium, the Netherlands, northern France

# A policy of selective investments: focus on content

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- **Parc Astérix: Caesar's Challenge aims high**
  - A thoroughly innovative ride
  - Where the spectator plays an active role
  - Use of sophisticated special effects
  - Creative use of numerous entertainers
- **Grévin: special events and proposed expansion**
  - Three new figures since the beginning of the year have received tremendous press coverage
    - Stéphane Bern
    - Shah Rukh Khan
    - René Angélil and Céline Dion
  - Grévin-themed café will occupy prominent window display stretch on the Boulevard Montmartre site

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- ▣ **Projects under way**

- ▣ **Outlook for annual results 2007-2008**

## The projects

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- **Holiski card (formerly frequent-skier card)**
  - Conclusive technical tests (back and front office) on the two pilot resorts
  - Use expanded to all French companies controlled by CDA
- **Partnership project for the Bioscope/Ecomusée site:**
  - 300 to 500 houses, which will attract new customers
- **Investments: studies on reducing the cost of new lifts : arrival of a new supplier (one chairlift at Val d'Isère)**
- **Investments during FY 2007/2008 ~ €90 million to €95 million**
  - Of which Ski areas: ~€60 million  
Leisure parks: ~€35 million

# Outlook for annual results 2007-2008

## ■ Ski areas:

- Sales growth of ski lifts will be higher than the five-year average: 3.3%
- Land-sales transactions for the financial year will be down from the previous exercise (€12 million in sales, €8 million in operating profit)
- Ski area operating margins for the financial year should improve significantly like-for-like
- Details on insurance reimbursements for losses incurred as a result of the Vanoise Express closure may not be known before the end of the financial year
- Second-half results of ski areas will be hurt by the change in scope of consolidation from the addition of STVI and the companies SERMA, DSR, and DSV, provoking losses in the second-half

## ■ Leisure parks:

- Customers have responded enthusiastically to new rides (Parc Astérix)
- As of May 18, 2008 (30% of the season), sales were up 10% as a result of openings during the Toussaint and Christmas holidays.

# 2008



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