

## 7. Environment Report 2005

Most of the business activities of the Compagnie des Alpes Group take place out of doors, in surroundings where quality of the environment is a major component of customers' pleasure and satisfaction. All Group companies have the same concerns and the same values concerning respect for the environment, preservation of plant and animal life, and management of natural resources with a view to sustainable development.

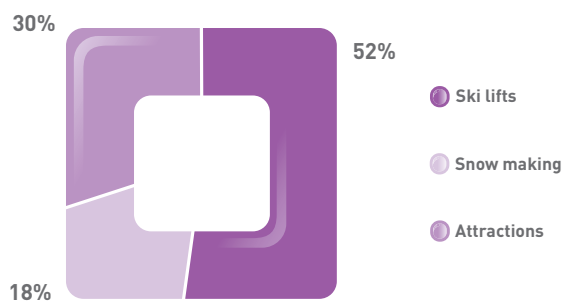
The principal areas in which Group activities impact on the environment are energy – principally electric power – water and visual esthetics.

The environmental information below is based on the real scope of consolidation. Hence, CMB, CMBF and the Swiss shareholdings are excluded from this report. 2002/2003 and 2003/2004 data have been adjusted correspondingly.

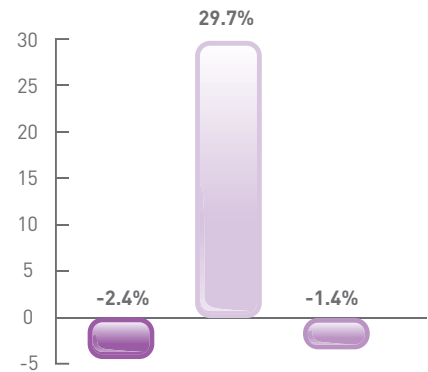
### 7.1 Energy

#### 7.1.1 Electricity consumption

Breakdown of electric power consumption  
FY 2004-2005



Change in electric power consumption from  
FY 2003-2004 to FY 2004-2005 (like-for-like basis)



All Group activities require electric power; the operation of sites requires a yearly total of 103 GWh. About 70% of this represents electricity consumption at the ski areas, mainly in winter, while the remaining 30% is the electricity used at leisure sites, mainly in the summer.

Electricity consumption has increased by 10% over 2004, essentially (7%) due to acquisitions. The acquisition of Serre Chevalier and two new leisure parks increased annual Group electricity consumption by 8 GWh. Light snowfalls last winter, together with very low temperatures, particularly in February, also had a substantial impact on energy consumption, with a 30% increase in electricity used for making artificial snow. On a like-for-like basis, electricity consumption for ski lifts and leisure attractions dropped by 2.4% and 1.4% respectively, reflecting the absence of any substantial change in the equipment used.

In 2004, Compagnie des Alpes started an across-the-board rationalization process for electricity purchasing and consumption. The first phase of this process was to call for tenders for the overall supply of electric power. This phase closed with diversification of electricity suppliers to the ski areas and establishment of a centralized data base on electric power consumption. This diversification has given management a better understanding of the process of electricity consumption as well as providing more reliable data.

A second phase will begin in FY 2005/2006, with a special study on electricity consumption optimization for artificial snow making and an evaluation of energy policies at the Group's German and Dutch sites. For several years now, two of these parks have obtained 80% of their electricity supply either through cogeneration (at the Harderwijk Dolfinarium in the Netherlands) or wind power (at Panorama Park in Germany). This policy could be extended to other Group sites, particularly those operating pools for marine life.

## 7.1.2 Gas consumption

In millions of cubic meters

2002/2003	2003/2004	2004/2005
2,334	2,254	2,340

Natural gas is consumed mainly for heating dolphin pools, aquariums and the aquapark. The two cogeneration units at the Harderwijk Dolfinarium together account for 60% of the Group's gas consumption and generate the equivalent of 21 Mwh. The winter of 2005 was harsher than that of 2004, causing a 4.5% increase in gas consumption.

## 7.1.3 Fuel consumption

In millions of liters

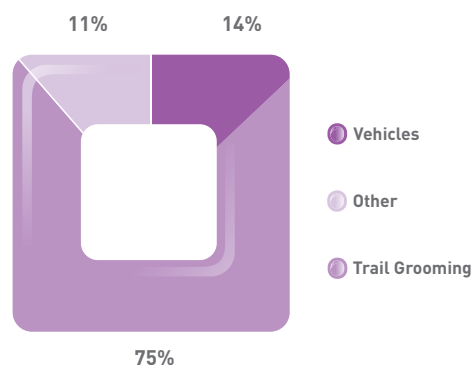
2002/2003	2003/2004	2004/2005
3,510	4,005	4,371

Hydrocarbons consumed in the operation of Group installations are made up 97% of fuel oil and diesel oil, with gasoline accounting for the remaining 3%, mainly used for the Group's motor vehicles. In all, consumption increased by about 9% in 2005, mainly because of the consolidation of a new ski area (Serre Chevalier and two new leisure parks). On a like-for-like basis, consumption increased by about 4%.

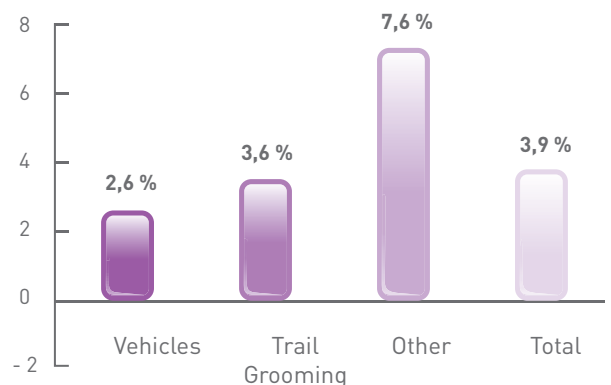
Ski areas account for close to 95% of the CDA Group's fuel consumption, of which 75% is used by grooming equipment. This represents an increase of 15% over the figure for the previous year, since the number of grooming machines increased automatically with consolidation of SC 1350.

At the leisure parks, the goal is to replace progressively all diesel-fuelled vehicles with those running on electric power. At Parc Astérix, the replacement rate reached 22% at the end of FY 2004/2005 vs. 14% at the end of the previous FY.

Breakdown of Fuel Consumption  
FY 2004-2005



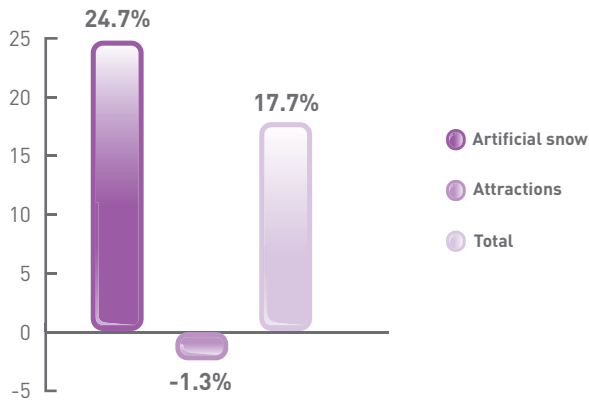
Change in fuel consumption from FY 2003-2004  
to FY 2004-2005 on a like-for-like basis



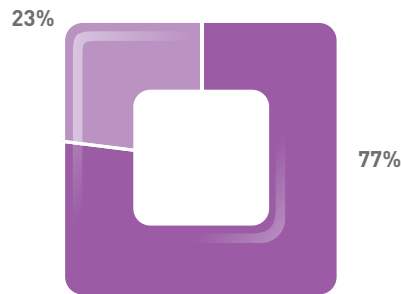
## 7.2 Water Resources Management

### 7.2.1 Water consumption

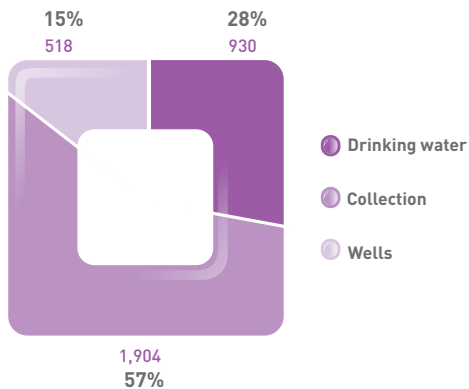
Changes in water consumption from FY 2003-2004 to FY 2004-2005 (on a like-for-like basis)



Répartition de la consommation d'eau 2005



Volume of water use in FY 2004-2005 (in thousands of cubic meters)



The Group is a major water user, at 3.4 million cubic meters in FY 2004/2005.

Major water uses are artificial snow production, supplying aquariums and dolphin pools, and watering the green spaces at the leisure parks. Total water consumption rose by 17.7% in FY 2004-2005, mainly due to artificial snow making, which was up by 24.7% due to light snow-falls, particularly at Serre Chevalier, which had the driest winter in records going back at least 50 years.

Artificial snow-making serves to compensate for a lack of natural snow for skiing. Group companies are particularly concerned about managing the growing use of artificial snow, with the aim of ensuring the most moderate use of water resources. They have perfected techniques of preparing and grooming ski trails that make it possible to reduce considerably the quantity of snow needed, while assuring high quality service.

Since the possibilities of obtaining water through well-drilling are rare in the mountains (with the notable exception of Courmayeur), companies put the greatest emphasis on harnessing surface water, in particular by constructing low dams to limit the need to use potable water. The technology of artificial snow machines is changing constantly in the direction of less water use.

Well-drilling (Parc Astérix) and the use of sea-water (Saint Malo, Harderwijk) are the preferred solutions for aquariums and dolphin pools. At Parc Astérix, a well located near the site also provides water for lawns and green spaces. A water-saving policy, which includes monitored pool-filling and centralized watering management, has cut water consumption at leisure parks by 7% on a like-for-like basis in 2005.

### 7.2.2 Waste water

Waste water generated amounted to about 500,000 cubic meters in FY 2004/2005, a drop of about 10% relative to FY 2003/2004.

Waste water from Group activities resembles domestic waste water.

Water used for artificial snow-making returns directly back to nature when the snow melts. Leisure parks operating aquariums have set up units to reprocess waste water before it enters the sewage system. The Dolfinarium at Harderwijk saved substantial quantities of water in 2005, as renovation of its filtering system made it possible to reduce waste water by 12%.

## 7.3 Other waste

### Waste volume

(in metric tons)	Household-type waste, paper, etc.	Scrap metal	Ordinary industrial waste (Fr: DIB)	Special industrial waste (Fr: DIS)	Total
2002/2003	1,356	387	407	56	2,206
2003/2004	1,475	311	353	84	2,223
2004/2005	1,559	642	1 254	101	3,556

Essentially, Group activities generate two types of waste: household-type waste and industrial waste, which together make up 79% of all waste produced by the entire Group. Leisure parks account for 73% of the total, and the ski areas 27%. All the parks and almost all the ski areas selectively sort ordinary industrial waste systematically.

Higher waste volume is a result mainly of expansion of the scope of consolidation by two new leisure parks. Some 60% of the increase in ordinary industrial waste (556 metric tons) comes from treating vegetable waste at Parc Astérix as compost, rather than by burning as in the past.

Dismantling of old ski lifts, particularly at Serre Chevalier, doubled the tonnage of scrap turned over to specialized reprocessors.

## 7.4 Animal and plant life protection

The surface used by the public at the ski areas is about 4,000 hectares, or about 20% of the total surface of ski trails in the northern French Alps and 15% of the total surface of French ski trails.

The Group is progressively implementing a policy aimed reducing the number of lifts and better integrating new lifts into the countryside.

At end- FY:	Number of lifts	Number of pylons	Kilometers of cables
2003/2004	371	3,713	718
2004/2005	369	3,687	714
Change	-2	-26	-4

Apart from the progressive decrease in the number of lifts, all lifts replaced have been dismantled and removed; pylon bases have been buried. As far as possible, the Group also tries to bury electric lines. The use of helicopters for transporting concrete or elements of ski lifts has reduced the need to cut roadways in the mountainside.

When new ski trails are built or existing trails improved, channels for water from melted snow are built and grass is replanted at the construction sites. During FY 2004-2005, nearly 100 hectares were replanted or reforested. So-called "clean mountainside" (« Montagne Propre ») operations were set up at several sites to get rid of residual waste from the winter season.

In the leisure parks division, Parc Astérix signed an agreement in 1998 with the Natural Sites Protection Office in the Picardie region, aimed at protecting the Morrière forest, a zone also officially classified as of special ecological, plant and animal interest (ZNIEF - Zone Naturelle d'Intérêt Ecologique, Floristique et Faunistique). The park will be included in the future "Oise-Pays de France" regional park, which includes the Halatte, Ermenonville and Chantilly forests. Sites with protected species - Parc Astérix, the Saint-Malo and Val de Loire aquariums - respect the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).

The Dolfinarium in the Netherlands is one of very few centers for the care of sea mammals on Europe's Atlantic coast. It has high-performance research installations and participates in dolphin protection programs in the North Sea, and also plays a leading educational role. Assistance is also provided to all sea mammals stranded on North Sea coast beaches, and a veterinarian is part of the permanent staff. In all, the Dolfinarium is a leading marine life protection site in Europe.

Planète Sauvage makes its contribution through participation in numerous European programs for the care and breeding of endangered species (the European Endangered Species Program - EEP).

It has a close relationship in research and animal care with the Nantes veterinary school.

## 7.5 Sound and odor nuisances

Full compliance is observed with all applicable legal restrictions concerning sound nuisances in the family leisure parks. At Parc Astérix, for instance, the equivalent continuous sound level due to the Park's activity is less than 40 dB at the property border. The loudest impulse emissions were measured at 42 dB (A), for very short times only.

Concerning the ski areas, sound nuisances are low at the ski areas and come mostly from lift stations and artificial snow machines located close to urban areas. Their replacement with a new generation of equipment will limit these sound nuisances.

No odor nuisances have been noted either in the ski areas or in the leisure parks.

## 7.6 Certifications and conformity with legislative and regulatory measures

Most ski resorts are certified ISO 9000 and about half are considering or in the process of applying for ISO 14000 certification. While almost none of them have a specific environmental service, most regularly provide their personnel with information aimed at increasing their sensitivity to questions of environmental protection. These questions are also broadly treated within the quality/safety and ski trail services.

No leisure park has yet obtained ISO certification. However, in March 1999, Parc Astérix initiated a voluntary sustainable development policy that included the adoption of a business environment plan (Plan Environnement Entreprise - PEEA) prepared by the French government's environment and energy conservation agency (Agence Gouvernementale de l'Environnement et de la Maîtrise de l'Énergie - ADEME), which was adjusted to the ISO 14001 standard by the executive committee during 2000/2002 period. This plan outlines an environmental policy based on three priorities: managing resources, concern for the impact of business activity on the environment, and communications and training. At Parc Astérix, an "energy and environment" service is in charge of monitoring regulatory issues, the collection and sorting of waste, and the implementation of the PEEA.