



**Compagnie des Alpes**

**ANNUAL GENERAL MEETING  
MARCH 12, 2015**



## **COMBINED ORDINARY AND EXTRAORDINARY GENERAL MEETING MARCH 12, 2015**

Dear Shareholder,

We are pleased to invite you to the combined Ordinary and Extraordinary Shareholders' Meeting of Compagnie des Alpes (hereinafter "the Company" or "CDA") which will be held next March 12 at 2:00 pm at Centre de Conférence Etoile Saint Honoré, 21/25 rue de Balzac - 75008 Paris.

If, however, you are unable to attend, we propose you take part in this Meeting either by casting your absentee ballot by mail, or by giving a proxy either to a third party or to the Chairman of the Meeting.

Whichever you choose, we invite you to use the ballot attached to this document and to follow the process described hereunder (p. 3 & 4).

The Shareholders' Meeting is convened in order to decide on the items of the agenda and the draft resolutions described in this document, which contains all the information required by article R. 225-81 of the French Commercial Code.

You can obtain additional information from our website, <http://www.compagniedesalpes.com/en>, where most of the documents we have made available to you, including our Registration Document and the 2014 Annual Financial Report, have been posted.

In addition, should you so desire, you can request that we send you the documents and information specified in article R. 225-88 of the Commercial Code, at our expense. In such case we invite you to fill in the relevant attached form (p. 32) and send it to our centralizing agent, Caceis Corporate Trust.

It is stated in this notice that, except otherwise specified, "Group" means or refers to Compagnie des Alpes and the controlled subsidiaries by Compagnie des Alpes.

We extend our thanks and look forward to your participation on March 12.

The Board of Directors

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## PARTICIPATING IN THE GENERAL SHAREHOLDERS' MEETING

### How do I take part in the General Meeting?

In order to take part in the Meeting (in person or by proxy) you must certify your status as a shareholder by demonstrating the account registration of your shares in your name (or in the name of the intermediary registered in your name if you are domiciled outside of France) on the second business day preceding the Meeting at 12:00 am (Paris time), in this case March 10, 2015 at 12:00 am, Paris time:

in the securities accounts kept for Compagnie des Alpes by its appointee, CACEIS Corporate Trust (CACEIS CT), or, in the securities accounts of bearer shares kept by the financial intermediary where your shares are registered.

### If you wish to attend this Meeting in person:

You must have an admission card, which can be obtained in the following manner:

For **shareholders holding registered shares**: by sending your request to CACEIS CT, appointed by Compagnie des Alpes to centralize services for this Meeting, at the following address: CACEIS CT - Assemblées générales centralisées - 14 rue Rouget de Lisle – 92 862 Issy-les-Moulineaux Cedex 09.

For **shareholders holding bearer shares**: by sending your request to your financial intermediary.

Upon reception, the latter will draw up a participation certificate, which it will append to your admission card request. It will send both documents to CACEIS CT. If you hold securities accounts with several financial intermediaries, each intermediary will need to produce a participation certificate for each of the accounts. CACEIS CT will send you your admission card by mail or, on short notice, will keep it for collection at the Meeting Welcome Desk.

### If you are unable to attend the Meeting in person:

A shareholder unable to attend the General Meeting can express his or her vote either (i) by proxy, whereby s/he is represented by another person, who need not be a shareholder, or (ii) by absentee ballot, or, lastly, (iii) by conferring a proxy to the Chairman, by filling out the Single Form dedicated to that purpose.

For shareholders holding registered shares: This form is sent to you by CACEIS CT with your Notice of Meeting. It is therefore included with this Notice Documentation.

For shareholders holding bearer shares: you must send in your request to CACEIS CT (at the above address), a minimum of six days before the date of the Meeting, i.e. March 6, 2015 at the latest. The ballot can also be downloaded from the Compagnie des Alpes website ([www.compagniedesalpes.com](http://www.compagniedesalpes.com)) - see the tab dedicated to the General Meeting.

The completed form must then be sent to your financial intermediary, who will produce a Participation Certificate and will then send both documents to CACEIS CT. For due registration and processing, the forms must arrive at CACEIS CT no later than three days before the General Meeting, by March 9, 2015.

### (i) Voting by proxy:

To vote by proxy, that is to give a power to an individual or a legal entity of their choice to be represented at the General Meeting, shareholders are invited to **check the box marked "Je donne pouvoir à"** (*I hereby give proxy to*), and to list the family name, given name, and complete address of the receiver of the proxy in the space reserved for such information. They must also list their own family name, given name and complete address in the space reserved for such information if the voting form was not pre-filled and sign and date the form. A photocopy of a valid identity document of the mandated person in his/her name must also be included.

The shareholder should send to CACEIS CT a written and signed proxy (specifying his/her family

name, given name and complete address and those of the mandated person) including a photocopy of a valid identity document of both shareholder and the mandated person.

Revocation of a mandate is conducted in the same form as it is conferred.

In compliance with article R. 225-79 of the Commercial Code, notification of the designation and the revocation of a proxy mandate can also be performed electronically, according to the following procedure:

- **for shareholders holding registered shares:** by sending an e-mail message bearing an electronic signature, obtained by themselves from a third-party agent empowered to certify same, in compliance with current legal and regulatory requirements, to the following internet address: [ct-mandataires-assemblees-cda@caceis.com](mailto:ct-mandataires-assemblees-cda@caceis.com) , listing their family name, given name, address and CACEIS Corporate Trust identification code for strictly registered shareholders (this information is available on the top left of their securities account statement) or their identification code with the financial intermediary, for shareholders under administered registration, as well as the family name and given name of the proxy being designated or revoked;

- **for shareholders holding bearer shares:** by sending an e-mail message bearing an electronic signature, obtained by themselves from a third-party agent empowered to certify same, in compliance with current legal and regulatory requirements, to the following internet address: [ct-mandataires-assemblees-cda@caceis.com](mailto:ct-mandataires-assemblees-cda@caceis.com), listing their family name, given name, address and complete bank references as well as the family name and given name of the proxy being designated or revoked, and as a compulsory action they must ask the financial intermediary who manages their securities account to send written confirmation by mail or fax to CACEIS Corporate Trust – Service Assemblées Générales - 14, rue Rouget de Lisle – 92 862 ISSY-LES-MOULINEAUX Cedex 9, or by fax to +33 1 49 08 05 82 or +33 1 49 08 05 83

Only those notifications of proxy, designated or revoked, which are duly signed, completed and received at the latest three days before the date the General Meeting, will be counted. In addition, only notifications appointing or revoking proxies can be sent to the above electronic address; no other requests or notifications related to other matters can be retained and/or processed.

Votes by shareholders will be counted only if their designated proxy presents him/herself to the reception of the General Meeting with valid identification.

#### **(ii) Voting by mail:**

To vote by mail, shareholders are invited to **check box "Je vote par correspondance"** (*I vote by mail*) of the Single Voting Form, and lastly to express their choice for each of the proposed resolutions submitted to the General Meeting. They must indicate their family name, given name, and full address in the space reserved for same if the voting form has not been pre-filled, and sign and date the form.

#### **(iii) Giving a Proxy to the Chairman:**

To entrust a proxy to the Chairman of the General Meeting, shareholders are invited to **check box "Je donne pouvoir au Président de l'Assemblée générale"** (*I hereby grant a proxy to the Chairman of the General Meeting*) on the Single Voting Form. They must indicate their family name, given name, and full address in the space reserved for same if the Voting Form has not been pre-filled, and sign and date the Form.

**Note:** Shareholders, who have voted by mail, sent a proxy form or requested an admission card cannot subsequently request a different type of participation in the General Meeting.

#### **If you wish to sell your shares after you vote, give a proxy or request an admission card:**

Shareholders, who have already expressed their absentee vote, sent a proxy mandate or requested their admission card can sell all or part of their shares at any time. However, if the share transfer is effective before the second business day preceding the Meeting, i.e. March 10, 2015 at 12:00 pm, Paris time, the Company will consequently void or change the absentee vote, proxy, admission card or participation certificate, as applicable. In this respect, the accredited intermediary who administers the account will notify the Company or its appointee of the sale and forward the necessary information.

## AGENDA

### Within the authority of the Ordinary General Meeting:

- Approval of the parent-company and consolidated financial statements for the financial year ended September 30, 2014.
- Appropriation of income and establishment of the dividend.
- Special report by the Statutory Auditors on regulated agreements. Approval of said agreements.
- Advisory opinion on the compensation package of Mr. Dominique Marcel, Chairman and CEO.
- Advisory opinion on the compensation package of Ms. Agnès Pannier-Runacher, Deputy Managing Director.
- Changes in the Corporate Governance Charter.
- Authorization for the Board of Directors to arrange for the Company to purchase treasury shares.

### Within the authority of the Extraordinary General Meeting:

- Extension of the corporate purpose. Amendment of Article 2 of the Company by-laws.
- Staggered renewal of directors' terms of office. Amendment of Article 9 of the Company by-laws.
- Authorization to carry out legal formalities subsequent to the Extraordinary General Meeting.

### Within the authority of the Ordinary General Meeting:

- Renewal of the term of office of the director Caisse d'Épargne et de Prévoyance Rhône-Alpes.
- Renewal of the directorship of Ms. Rachel Picard.
- Renewal of the directorship of Ms. Noëlle Lenoir.
- Authorization to carry out legal formalities subsequent to the Ordinary General Meeting.

# REPORT OF THE BOARD OF DIRECTORS TO THE GENERAL SHAREHOLDERS MEETING OF MARCH 12, 2015

## (Presentation and purpose of the resolutions)

Dear shareholder,

You are cordially invited to attend a combined Ordinary and Extraordinary General Meeting at which we will present information on the results of the financial year ended September 30, 2014. The parent-company and consolidated financial statements for the financial year will be submitted for your approval.

In addition, we will submit for your approval a series of resolutions, both ordinary and extraordinary, particularly (i) the extension of the corporate purpose, (ii) the amendment of Article 9 of the Company by-laws in order to allow the staggered renewal of directors' terms of office, and (iii) the early renewal of the term of office of three directors.

This General Meeting will also be the second-time opportunity to implement the AFEF-MEDEF "say on pay" initiative, i.e., an advisory vote on executives' individual compensation packages.

Fifteen resolutions will be put to a vote of the combined Ordinary and Extraordinary General Meeting of March 12, 2015.

### **WITHIN THE AUTHORITY OF THE ORDINARY GENERAL MEETING**

#### **Approval of parent-company and consolidated financial statements (resolution 1 & 2)**

Having reviewed the parent-company and consolidated financial statements for the financial year 2013/2014, the Board asks the shareholders to examine its management report and financial statements included in the 2014 registration document (pages 51 to 57 and 118 to 167), which provide detailed information on the Company's activity, as well as the parent-company and consolidated results for the financial year. A brief presentation of the Company and the Group's situation during the financial year is also included in this document (page 17).

The first resolution concerns approval of the parent-company financial statements for the financial year ended September 30, 2014, which yielded net income of €2,715,155.56.

The second resolution concerns approval of the consolidated financial statements, which yielded net attributable income of €25,393,000.

#### **Appropriation of income and declaration of dividend (resolution 3)**

The third resolution sets out appropriation of income. The Board of Directors proposes to the General Meeting a dividend of €0.35 per share.

The ex-dividend date is March 17, 2015. The payment date is March 19, 2015 and the dividend will be paid entirely in cash.

#### **Approval of regulated agreements and commitments (resolution 4)**

There is only one new regulated agreement referred to in the special report of the auditors, which we are submitting for your approval under the fourth resolution. It consists in the conclusion of a new syndicated loan agreement that was priorly authorized by the Board of Directors on April 30, 2014.

As debtor alongside the borrower, its subsidiary CDA-Financement, and as guarantor, CDA signed a revolving credit for a maximum amount of €260,000,000 expiring in 2019. At September 30, 2014, CDA's outstanding commitment to CDA-Financement amounted to €100,000,000.

*Directors / bodies concerned: Crédit Agricole des Savoie, Banque Populaire des Alpes, Caisse d'Épargne et de Prévoyance Rhône-Alpes*



**Advisory opinion on executive compensation (resolutions 5 and 6)**

Under the fifth and sixth resolutions, we invite you to approve the compensation packages owed or granted to Mr. Dominique Marcel, Chairman and CEO, and Ms. Agnès Pannier-Runacher, Deputy Managing Director, respectively, for the past financial year.

A complete subchapter of the 2014 Registration Document is devoted to compensation of senior officers (pages 77 to 82).

Consistent with practices implemented in this regard over the past years, compensation paid to the Chairman and CEO and the Deputy Managing Director, neither of whom have an employment contract, includes a fixed component and a variable component subject to qualitative and quantitative criteria.

The fixed component of the compensation package is determined by the Board, acting on a proposal from the Appointments and Compensation Committee, on the basis of the executives' personal qualities, market practices and compensation of

executives at CDC Group, to which the Company is attached.

Except in exceptional circumstances, the amount of the fixed component is only revised at relatively long intervals. As such, the fixed compensation granted to Dominique Marcel, Chairman and CEO, is unchanged since FY 2009/2010. It has been renewed for the current financial year. Agnès Pannier-Runacher's fixed compensation, as established for FY 2012/2013, upon her taking up her duties and on the basis of that paid to her predecessor, has also been renewed.

Senior officers do not benefit from the free share grants implemented by CDA, having chosen to forego this entitlement in FY 2009/2010.

Individual compensation items are summarized in the tables below for each senior officer.

It is specified that your advisory vote does not extend to so-called deferred commitments, which have already been subject to approval by the General Meeting under regulated agreements and commitments.

**Compensation package owed or granted to M. Dominique Marcel, Chairman and CEO (resolution 5)**

Compensation elements	Amounts due or awarded for FY 2013/2014	Comments
Fixed compensation	€360,000	Gross fixed compensation for 2013/2014 (unchanged since 2009/2010).
Variable compensation	€180,000	<p>The Board of Directors has decided that the variable compensation of Dominique Marcel and Agnès Pannier-Runacher for 2013/2014 may be between 0% and 50% of the basic annual salary and will be determined as follows:</p> <ul style="list-style-type: none"> <li>- from 0% to 25% of the basic annual salary, according to qualitative criteria such as the finalization and implementation of the strategic plan especially the international development and the further deployment of the company project,</li> <li>- from 0% to 25% of the basic annual salary, according to quantitative criteria linked to the levels of (i) EBITDA (gross operating income) for the financial year (from 0% to 12.5%), (ii) net debt calculated at the end of the financial year (from 0% to 8.5%), and (iii) the free cash flow generated by the Group over the financial year (from 0% to 4%).</li> </ul> <p>Based on the work and proposals of the Appointments and Remuneration Committee, the Board of Directors meeting on December 17, 2014:</p> <ul style="list-style-type: none"> <li>- set the variable part due for the achievement of qualitative targets at 25% of the basic annual salary, after noting that the targets had been met,</li> <li>- set the variable part due for the achievement of quantitative targets at</li> </ul>

		25% of the basic annual salary, after noting that the targets had also been met.  As a result, the Board decided that the variable part of senior officers' compensation linked to 2013/2014 results would be set at 50% of basic annual salary.
Multi-year variable compensation	N/A	Dominique Marcel does not receive any multi-year variable compensation.
Directors' fees	N/A	None of the senior officers of CDA receives directors' fees for the mandates held within the Group.
Exceptional compensation	N/A	Dominique Marcel does not receive any exceptional compensation.
Profit-sharing agreement	€16,436	Dominique Marcel benefits from the profit-sharing agreement in force within CDA.
Stock option or performance share grants	N/A	As is the case for the other senior officers, Dominique Marcel is not a beneficiary of the performance share plans.
Welcome or departure bonus	No payment	In certain cases Dominique Marcel will receive a departure bonus upon leaving the CDA Group. This will be equal to 2 years' compensation (last fixed + variable compensation), subject to the achievement of individual and Group performance criteria that have been verified by the Board. Please note: when Dominique Marcel's mandate was renewed, this commitment, which is subject to prior approval by the Board, was approved by the Shareholders' Meeting of March 14, 2013.
Non-competition indemnity	N/A	Dominique Marcel is not subject to a non-competition clause.
Complementary retirement scheme	The actuarial obligation at September 30, 2014 was €575,471.	Dominique Marcel falls under the complementary retirement scheme applicable to the Group's senior officers and senior executives. This comprises a defined contribution plan and a defined benefit plan that guarantees, upon retirement, a pension equal to 1% of his last annual compensation (fixed + variable) per year of seniority, up to a maximum of 10% of this last compensation. Please note: this is an earlier commitment previously approved by the Board that has been approved by the Shareholders' Meeting under related-party agreements and commitments.
Complementary health and pension scheme	–	Dominique Marcel is covered by the collective health and pension scheme in operation at CDA, in the same way and under the same conditions as other employees.
Benefit in kind	€5,697	Dominique Marcel has been allocated a company car.

**Compensation package owed or granted to Ms. Agnès Pannier-Runacher, Deputy Managing Director (resolution 6)**

<b>Compensation elements</b>	<b>Amounts due or awarded for FY 2013/2014</b>	<b>Comments</b>
Fixed compensation	€240,000	Gross fixed compensation for 2013/2014 (unchanged since she took up her post).
Variable	€120,000	The Board of Directors has decided that the variable compensation of Dominique Marcel and Agnès Pannier-Runacher for 2013/2014 may be

compensation		<p>between 0% and 50% of the basic annual salary and will be determined as follows:</p> <ul style="list-style-type: none"> <li>- from 0% to 25% of the basic annual salary, according to qualitative criteria such as the finalization and implementation of the strategic plan especially the international development and the further deployment of the company project,</li> <li>- from 0% to 25% of the basic annual salary, according to quantitative criteria linked to the levels of (i) EBITDA (gross operating income) for the financial year (from 0% to 12.5%), (ii) net debt calculated at the end of the financial year (from 0% to 8.5%), and (iii) the free cash flow generated by the Group over the financial year (from 0% to 4%).</li> </ul> <p>Based on the work and proposals of the Appointments and Remuneration Committee, the Board of Directors meeting on December 17, 2014:</p> <ul style="list-style-type: none"> <li>- set the variable part due for the achievement of qualitative targets at 25% of the basic annual salary, after noting that the targets had been met,</li> <li>- set the variable part due for the achievement of quantitative targets at 25% of the basic annual salary, after noting that the targets had also been met.</li> </ul> <p>As a result, the Board decided that the variable part of senior officers' compensation linked to 2013/2014 results would be set at 50% of basic annual salary.</p>
Multi-year variable compensation	N/A	Agnès Pannier-Runacher does not receive any multi-year variable compensation.
Directors' fees	N/A	None of the senior officers of CDA receives directors' fees for the mandates held within the Group.
Exceptional compensation	N/A	Agnès Pannier-Runacher does not receive any exceptional compensation.
Profit-sharing agreement	€11,824	Agnès Pannier-Runacher benefits from the profit-sharing agreement in force within CDA.
Stock option or performance share grants	N/A	As is the case for the other senior officers, Agnès Pannier-Runacher is not a beneficiary of the performance share plans.
Welcome or departure bonus	No payment	Agnès Pannier-Runacher will receive a departure bonus upon leaving the CDA Group as a result of dismissal (except in the case of serious misconduct or gross negligence). This will be equal to 2 years' compensation (last fixed + variable compensation), subject to the achievement of individual and Group performance criteria that have been verified by the Board. Please note: this commitment, which was subject to prior approval by the Board meeting of December 18, 2012, was approved by the Shareholders' Meeting of March 14, 2013.
Non-competition indemnity	N/A	Agnès Pannier-Runacher is not subject to a non-competition clause.
Complementary retirement scheme	The actuarial obligation at September 30, 2014 was €23,266.	Agnès Pannier-Runacher falls under the complementary retirement scheme applicable to the Group's senior officers and senior executives. This comprises a defined contribution plan and a defined benefit plan that guarantees, upon retirement, a pension equal to 1% of her last

		annual compensation (fixed + variable) per year of seniority, up to a maximum of 10% of this last compensation. Please note: this commitment, which was subject to prior approval by the Board meeting of December 18, 2012, was approved by the Shareholders' Meeting of March 14, 2013.
Complementary health and pension scheme	–	Agnès Pannier-Runacher is covered by the collective health and pension scheme in operation at CDA, in the same way and under the same conditions as other employees.
Benefit in kind	€2,292	Agnès Pannier-Runacher has been allocated a company car.

### **Change in the Corporate Governance Charter (resolution 7)**

On January 21, 2015, the Board of Directors decided to amend the Corporate Governance Charter, which sets out the internal regulations of the Board of Directors, as follows:

- Principle 2 of composition of the Board of Directors : the mentioned thresholds of interest (voting rights) refer to a detention of registered shares (shared hold in the shareholder's name and not bearer shares) for at least two years ;
- Composition of the Audit and Finance Committee: one more member, i.e. a total of four non-executive members including two independant directors.

The complete version of the Charter is available on the CDA website: [www.compagniedesalpes.com](http://www.compagniedesalpes.com), click on "Group organisation".

### **Authorization for the Board of Directors to trade in the Company's shares – maximum purchase price: €30 per share (resolution 8)**

As is customary at every annual Ordinary Shareholders' Meeting, we ask you to approve a new resolution authorizing your Board of Directors, with an option of subdelegation, to trade in the Company's shares as part of a Compagnie des Alpes share buyback program.

With this authorization, your Board will implement a new share buyback program, limiting self-ownership to 10% of share capital, with the same objectives as those of the previous program, particularly to ensure an active market, using an investment services provider, via a liquidity contract compliant with the Code of Ethics recognized by the French Financial Markets Authority (Autorité des Marchés Financiers), i.e. the AMAFI Charter.

In implementing this authorization we propose to set the maximum purchase price at €30 per share.

Authorization would be granted for a new 18-month period, in compliance with legal requirements.

Full details will be provided in the Registration Document regarding the outcome of trading conducted under the program currently in force.

### **WITHIN THE AUTHORITY OF THE EXTRAORDINARY GENERAL MEETING**

#### **Extension of the corporate purpose: amendment of Article 2 the by-laws (resolution 9)**

This resolution amends Article 2 of the Company by-laws as it is proposed to extend the corporate/business purpose by including expressly all the activities realized by the parent company Compagnie des Alpes beyond the holding of participations and subsidiaries.

The above mentioned activities shall include all the services provided by the active holding to its subsidiaries and/or for their account: corporate services (implementation and management of the strategy at the Group level), operational services aimed to support the subsidiaries' business and productivity (ex: assistance in purchasing and tendering), specific services (development of IT projects for one of several subsidiaries).

#### **Staggered renewal of the Directors' terms of office: Article 9 of the by-laws (resolution 10)**

We invite you to amend also Article 9 of the by-laws in order to implement a staggered renewal of directors' terms of office.

Actually, it results from the conclusions of the appraisal of the Board and Committees carried out in 2013/2014 that several directors would prefer a staggered renewal of the terms of office which is also recommended by AFEP-MEFEF Corporate Governance Code.

Subject to your approval of this resolution, it shall then be possible to proceed to a staggered renewal in equal fractions and to start by now with a yearly renewal by quarts as the term of office is normally four years (see resolutions 12 to 14).

**Authority to carry out formalities for ordinary decisions (resolution 11)**

Usual resolution for legal formalities.

**WITHIN THE AUTHORITY OF THE ORDINARY GENERAL MEETING**

**Renewal of the term of office of three directors (resolutions 12 to 14)**

Subject to the prior approval of the resolution 10, we invite you to renew in advance the terms of

office as Director of:

- Caisse d'Epargne Rhône-Alpes,
- Ms. Rachel Picard (Independent Director),
- Ms. Noëlle Lenoir (Independent Director).

As the terms of office of the above mentioned Directors should normally expire at the General Shareholders Meeting convened to review the accounts of financial year ending September 30, 2016, and in order to initiate the staggered renewal of the Board of Directors, these three Directors proposed to resign from their office with effect at the present Shareholders General Meeting and to apply for a new term of office of four years.

Information regarding Ms. Rachel Picard and Ms. Noëlle Lenoir is attached hereto.

**Authority to carry out formalities for extraordinary decisions (resolution 15)**

Usual resolution for legal formalities

## INFORMATION REGARDING DIRECTORS FOR WHOM A TERM RENEWAL IS PROPOSED TO THE GENERAL MEETING

### **Rachel PICARD**

Born on December 11, 1966

A graduate of HEC, Rachel Picard has been serving as Chief executive officer of Voyages SNCF since October 2014, having previously spent two years as head of the Gares et Connexions division of SNCF. Prior to taking up this role she had been managing director of Voyages-sncf.com, after working as Associate managing director responsible for marketing, sales and operations between 2004 and 2006. Before this, she directed Tour Operating Europe at Frantour from 1993 to 2000 and then ran Les Éditions Atlas Voyages from 2000 to 2002. She has held business positions in the ski sector with Vallé Nevado (Chile), and in the leisure parks sector with Euro Disney Paris. Rachel Picard joined the Compagnie des Alpes Board of Directors on December 15, 2009, as an independent director. She is also a member of the Strategy Committee.

Main position: Chief executive officer of Voyages SNCF, 2 place de la Défense – CNIT 1 – BP 440 – 92053 La Défense Cedex

Other mandates and duties: none

*Number of CDA shares held: 716*

### **Noëlle LENOIR**

Born on April 27, 1948

Noëlle Lenoir holds a Master's degree in public law and is a graduate of Sciences Po. Since 2004 she has mainly worked as a lawyer and is a partner in the law firm Kramer Levin Naftalis & Frankel, within which she specializes in competition law and public business law. She is also an ethics officer at the French National Assembly. She is president of the HEC's Europe Institute, where she is also an adjunct professor, and she teaches competition law at the faculty of law of Paris I Panthéon Sorbonne. During the course of her career she has held senior posts in the French government. Noëlle Lenoir joined the Board of Directors of Compagnie des Alpes on March 14, 2013 as an independent director and was appointed as a member of the Appointments and Remuneration Committee with effect from the same date.

Main position: Partner in the law firm Kramer Levin Naftalis & Frankel LLP, 47 avenue Hoche – 75008 Paris

Other mandates and duties: Director of Valeo

*Number of CDA shares held: 301*

## PROPOSED RESOLUTIONS

### WITHIN THE AUTHORITY OF THE ORDINARY GENERAL MEETING:

#### First resolution

*(Approval of the parent-company and consolidated financial statements for the financial year ended September 30, 2014)*

Voting under the conditions of quorum and majority required for Ordinary General Meetings, and having considered the Company and Compagnie des Alpes Group management report prepared by the Board of Directors, the general report of the Statutory Auditors on the parent-company financial statements, the report of the Chairman of the Board of Directors, the special report of the Statutory Auditors referred to in Article L. 225-235 of the French Commercial Code and additional information provided orally, the General Meeting hereby approves the parent-company financial statements for the financial year ended September 30, 2014 as presented to it, showing a profit of €2,715,155.56, and also approves the operations recorded in these financial statements or summarized in these reports. It also approves the amount of non-deductible expenses (Article 39.4 of the French Tax Code), totaling €103,712, as stated in the Board's management report.

#### Second resolution

*(Approval of the consolidated financial statements for the financial year ended September 30, 2014)*

Voting under the conditions of quorum and majority required for Ordinary General Meetings, and having considered the reports of the Board of Directors and the Statutory Auditors and additional information provided orally, the General Meeting hereby approves the Group's consolidated financial statements for the financial year ended September 30, 2014 as presented to it, showing Group attributable net income of €25,393,000, and also approves the operations recorded in these financial statements or summarized in these reports.

#### Third resolution

*(Appropriation of income and establishment of the dividend)*

Voting under the conditions of quorum and majority required for Ordinary General Meetings and having noted, in due consideration of profit for the year in

the amount of €2,715,155.56 and retained earnings in the amount of €75,024,480.11, that earnings available for distribution total €77,739,635.67, the General Meeting approves the proposals for appropriation of income and establishment of the dividend by the Board of Directors and hereby resolves:

- to allocate a sum of €135,757.78 to the legal reserve.
- to establish as €0.35 the dividend to be paid out to each qualifying share, and therefore to distribute a dividend to shareholders in the maximum amount of €8,495,952.85, on the basis of a maximum number of 24,274,151 shares with dividend entitlement.
- to allocate at least the sum of €69,107,925.04 to retained earnings.

The dividend shall be paid out as of March 19, 2015. The ex-dividend date on Euronext Paris is March 17, 2015.

If, when payment is made, the number of shares actually entitled to the dividend is less than the aforementioned 24,274,151 shares because the Company holds a portion of its own shares, the amount of dividend not paid out shall be allocated to retained earnings.

Pursuant to Article 243 bis of the French Tax Code, it is hereby stipulated that the total dividend proposed is eligible for deduction by individuals who are fiscally domiciled in France, as provided for by Article 158-32 2° of the French Tax Code.

The General Meeting issues a reminder to the Board of Directors of the amount of dividends paid in the last three financial years:

- FY 2010/2011: Dividend per share of €0.85
- FY 2011/2012: Dividend per share of €0.70
- FY 2012/2013: None

#### Fourth resolution

*(Approval of the regulated agreements referred to in the special report by the Statutory Auditors)*

Voting under the conditions of quorum and majority required for Ordinary General Meetings, and having

considered the special report of the Statutory Auditors on the agreements referred to in Article L. 225-38 of the French Commercial Code, the General Meeting hereby approves the sole agreement entered into over the past financial year as set forth in said report.

#### **Fifth resolution**

*(Advisory opinion on the compensation package of Mr. Dominique Marcel, Chairman and CEO)*

Voting under the conditions of quorum and majority required for Ordinary General Meetings, and having considered the report of the Board of Directors in connection with compensation for corporate officers as reported in the 2014 Registration Document (Chapter 2.3.1), the General Meeting hereby issues a favorable opinion of the compensation package owed or granted to Mr. Dominique Marcel, Chairman and CEO, for the financial year 2013/2014.

#### **Sixth resolution**

*(Advisory opinion on the compensation package of Ms. Agnès Pannier-Runacher, Deputy Managing Director)*

Voting under the conditions of quorum and majority required for Ordinary General Meetings, and having considered the report of the Board of Directors in connection with compensation for corporate officers as reported in the 2014 Registration Document (Chapter 2.3.1), the General Meeting hereby issues a favorable opinion of the compensation package owed or granted to Ms. Agnès Pannier-Runacher, Deputy Managing Director, for the financial year 2013/2014.

#### **Seventh resolution**

*(Changes in the Corporate Governance Charter)*

Voting under the conditions of quorum and majority required for Ordinary General Meetings, and having considered the report of the Board of Directors, the General Meeting hereby acknowledges the changes made to the Corporate Governance Charter, as modified by the Board of Directors on January 22, 2015.

#### **Eighth resolution**

*(Authorization for the Board of Directors to arrange for the Company to purchase treasury shares)*

Voting under the conditions of quorum and majority required for Ordinary General Meetings, and having considered the report of the Board of Directors, the

General Meeting hereby authorizes the Board of Directors, with the option to sub-delegate within legal limits, to arrange purchases of Company stock, in accordance with the provisions of Articles L. 225-209 et seq. of the French Commercial Code, European Regulation No 2273-2003 of December 22, 2003 and the AMF General Regulation, Book II Title IV and implementation instructions, with the principal objectives of:

- ensuring that the share price is stabilized by an investment-service provider under a liquidity agreement, in compliance with an AMF-recognized ethics charter.
- holding, selling or transferring the aforesaid shares by any means, especially through exchange or delivery of securities, particularly in the framework of acquisitions or the issuance of securities giving access to capital.
- allocating shares to employees and corporate officers of the Company, or of companies or groups to which the Company is related, under the conditions and in accordance with procedures provided for in law, especially through income from Company acquisitions, stock options, the award of free shares, a Group or company savings scheme, or an optional plan for an employee-employer savings partnership.

Shares may be purchased, sold, held or transferred by any means, on one or more occasions, at any time except during a takeover bid, on the market or over the counter, particularly through the acquisition or sale of blocks of shares, or by using derivative financial instruments and options, in due compliance with the regulations in force.

To implement this authorization, the General Meeting sets a maximum purchase price of €30 per share. The maximum number of shares that may be held cannot be more than 10% of the shares comprising the share capital of Compagnie des Alpes at any given time. This percentage applies to the share capital as adjusted for transactions that modified the share capital before this General Meeting, e.g. on September 30, 2014, 2,427,415 shares represented a maximum investment of €72,822,450 on the basis of a maximum purchase price of €30 per share.

In the event of a capital increase via the capitalization of reserves and the award of free shares, and in the event of a stock split or reverse stock split, the above price shall be adjusted based



on the ratio between the total number of shares issued and outstanding before and after the transaction.

The General Meeting establishes the duration of this authorization at 18 months from this General Meeting of Shareholders. During the as yet unexpired period of time and commencing on the date specified by the Board of Directors, this authorization supersedes that issued by the General Meeting on March 13, 2014.

The shareholders grant full powers to the Board of Directors and authorize it to delegate within legal limits, to issue any orders, enter into any agreements and draw up any documents, particularly the program description that must be published before the new program is implemented. It is also authorized to carry out any protocol, make any declarations and report to any bodies, in particular the AMF, for operations performed in implementing this resolution. The Board of Directors may also determine requirements and procedures whereby, if applicable, rights of shareholders and of beneficiaries of options giving access to Company capital shall be maintained, in compliance with regulatory provisions, and in general to do all that is necessary.

#### **WITHIN THE AUTHORITY OF THE EXTRAORDINARY GENERAL MEETING:**

##### **Ninth resolution**

*(Extension of the corporate purpose. Amendment of Article 2 of the Company by-laws)*

Voting under the conditions of quorum and majority required for Extraordinary General Meetings, and having considered the report of the Board of Directors, the General Meeting hereby decides to amend the Company's corporate purpose to specifically include the activities of an active holding company and other operational activities that may be carried out by the Company. Consequently the General Meeting hereby decides to amend Article 2 of the Company by-laws, which shall henceforth read as follows:

*"Article 2 - Corporate purpose:*

*Compagnie des Alpes has the following purposes, in France and internationally:*

- *the acquisition, holding, management, and divestiture of all forms of investment securities and all forms of shareholdings in all companies, both French and foreign, in whatever form they*

*may be, and particularly those having operations in mountain and leisure tourism*

- *the shareholdings, direct or indirect, by the company in any of the aforementioned operations, through the creation of new companies, transfers, subscription to new shares or purchase of existing shares or company rights, mergers, partnerships or otherwise, and this whether in France or abroad*
- *the provision of any services, especially to the benefit of any Group companies, especially any services that may be rendered by an active holding company to its subsidiaries, be they corporate, operational or specific*
- *and, generally, any commercial, financial, industrial, investment and real estate operations, similar to or related directly or indirectly, in whole or in part, with the stated corporate purpose."*

##### **Tenth resolution**

*(Staggered renewal of directors' terms of office. Amendment of Article 9 of the Company by-laws)*

Voting under the conditions of quorum and majority required for Extraordinary General Meetings, and having considered the report of the Board of Directors, the General Meeting hereby decides to amend Article 9 of the Company by-laws to permit staggered renewal of directors' terms of office, as per the recommendations of the AFEP-MEDEF Corporate Governance Code.

Consequently the General Meeting decides to amend Article 9 of the Company by-laws, which shall henceforth read as follows:

*"Article 9 - Board of Directors:*

*(...) (The commencement of the article remains unchanged)*

*Directors are appointed as laid down in law by the Ordinary General Meeting of Shareholders for a term of four years terminating after the Ordinary General Meeting voting on the financial statements of the previous year, held during the year in which the term expires.*

*Terms are renewed in a staggered fashion in order to permit regular renewal in portions that are as equal as possible. Moreover, as an exceptional measure, in order to guarantee this staggered arrangement the Ordinary General Meeting may appoint one or more directors for a term of one, two or three years.*

*(...) (The rest of the article remains unchanged)"*

#### **Eleventh resolution**

*(Delegations of authority to carry out formalities related to resolutions enacted under extraordinary business)*

Voting under the conditions of quorum and majority required for Extraordinary General Meetings, the General Meeting hereby grants full powers to the bearer of a copy or extract of the minutes recording these resolutions, to perform all legal or administrative formalities subsequent to decisions made in the two preceding resolutions enacted under extraordinary business.

#### **WITHIN THE AUTHORITY OF THE ORDINARY GENERAL MEETING:**

#### **Twelfth resolution**

*(Renewal of the term of office of the director Caisse d'Épargne et de Prévoyance Rhône-Alpes)*

Voting under the conditions of quorum and majority required for Ordinary General Meetings, provided the tenth resolution proposed to the Extraordinary General Meeting is adopted, acting on a proposal by the Board of Directors, the General Meeting hereby decides to renew the term of office of the director Caisse d'Épargne et de Prévoyance Rhône-Alpes for a period of four years, which shall expire following the General Meeting called to vote on the financial statements for the financial year ended on September 30, 2018.

#### **Thirteenth resolution**

*(Renewal of the directorship of Ms. Rachel Picard)*

Voting under the conditions of quorum and majority required for Ordinary General Meetings, provided the tenth resolution proposed to the Extraordinary General Meeting is adopted, acting on a proposal by the Board of Directors, the General Meeting hereby decides to renew the directorship of Ms. Rachel Picard for a period of four years, which shall expire following the General Meeting called to vote on the financial statements for the financial year ended on September 30, 2018.

#### **Fourteenth resolution**

*(Renewal of the directorship of Ms. Noëlle Lenoir)*

Voting under the conditions of quorum and majority required for Ordinary General Meetings, provided the tenth resolution proposed to the Extraordinary General Meeting is adopted, acting on a proposal by the Board of Directors, the General Meeting hereby

decides to renew the directorship of Ms. Noëlle Lenoir for a period of four years, which shall expire following the General Meeting called to vote on the financial statements for the financial year ended on September 30, 2018.

#### **Fifteenth resolution**

*(Delegations of authority to carry out formalities related to resolutions enacted under ordinary business)*

The General Meeting hereby grants full powers to the bearer of a copy or extract of the minutes recording these resolutions, to perform all legal or administrative formalities subsequent to decisions made in the preceding resolutions enacted under ordinary business.

## BRIEF PRESENTATION OF THE COMPANY AND THE GROUP'S SITUATION DURING FINANCIAL YEAR 2013/2014

### 1. MESSAGE OF THE CHAIRMAN

The world of leisure is undergoing deep transformations. The very nature of consumers' demands has changed, and consumers have never been this demanding before! As far as leisure goes, customers now hold the cards; they are willing to devote a sizable budget to leisure if they receive services that match up to their new expectations, such as personalized services and an offering that is capable of transforming moments of leisure into an outstanding experience. At the same time, there are two major trends that are escalating this transformation - the boom in the tourism market where the volume of international tourism has doubled in twenty years, and the rise of the digital age. Digital applications have considerably broadened the range and freedom of choice for consumers. These crucial changes are causing upheavals in the tourism and leisure business... even as they offer fabulous prospects. Compagnie des Alpes is the world's leading operator of ski areas, and among the ten largest players in the leisure industry. The Group intends to promote its offering and draw on its know-how to innovate and play a pivotal role in the "Leisure revolution" of the 21st century.

At this time when the Group needs to rise to these ambitious challenges and respond to the flow of demands from abroad, its sound performance in the past year is a definite source of encouragement. Our reaction to the results of the previous year was strong and swift. The measures we immediately took and the changes we decided to implement in our business plan have proved their relevance. All of the Group's financial indicators are green, driven notably by the marked turnaround of the Leisure destination business (up 7% in visitor numbers, up 6.3% in sales).

The Ski area business segment remained stable after two excellent seasons that saw a significant rise in visitor numbers. These results were achieved despite the bleak economic climate, the three-point increase in VAT in both of our business segments, and the poor weather conditions at the height of the season in both segments. They are a direct consequence of the proactive actions we took.

The significant turnaround we brought about was driven by the exceptional efforts put in by our

teams and our capacity to merge daring, agility and expertise. A new organization has been set up in the Leisure destinations segment to cut down the decision-making process and step up the responsiveness and efficiency of our offering. We have unleashed the differentiation and diversification of our operations driven by customer satisfaction, with our indicators on the upward trend, even as visitor numbers have increased considerably. The improved sales performance in this segment as well as controlled operating expenses have largely contributed in the recovery of the Group's profitability. We must continue to focus on Leisure destination operations that are capable of leveraging "Very High Satisfaction", for this is the only way we can durably incite our visitors to return and recommend our destinations in their circles.

Improving our positioning in the value chain and in the most promising of added-value niches has never been as crucial as it is now. Some of our initiatives in that regard have already met with success. We must however strive harder.

The stakes at hand in Ski areas are to consolidate and boost growth in terms of volumes. Given the changing demeanor of our customers, across all generations, we are obliged to rethink our offering as a whole and step up the appeal of our prestigious sites, by creating intense and immersive experiences for customers to enjoy in a straightforward and smooth manner. Digital tools open up tremendous opportunities in this regard. We must steer the change in the economic model of our core business by becoming the integrators and facilitators of the services in the resorts, similarly to what we have begun doing for ski resort accommodation, promotion and sales, to the benefit of the mountain ecosystem as a whole.

The international visibility and credibility we have earned are potent drivers that encourage us to continue our development in those sectors that show high growth potential. We need to capitalize not only on our star brands such as Grévin, but also on the international recognition of our contribution to flagship projects such as, for example, the 2014 Olympic Games at Rosa Khutor, or the inception of the future major ski resorts in the Caucasus.

We made ourselves operational in this sector right away. We must now step up our pace and continue

to show our ability to pursue our profitable expansion, all the while enhancing the quality and safety standards of the services we offer, as we doing today. We are now well-placed to pursue ambitious investment and acquisition targets with the backing of our solid, and complementary partners, in France and abroad, and become a pivotal player of the industry.

Even as the "Leisure revolution" of the 21st century is opening up remarkable opportunities, Compagnie des Alpes is determined to leave no stone unturned to hold on to its pioneering role.

## 2. ANALYSIS OF THE GROUP RESULTS

The sales of the Compagnie des Alpes Group amounted to €693 million in 2013/2014, an increase of 2.2 %. This increase was largely attributable to the significant recovery of its leisure park activities (sales up 6.3%).

EBITDA increased by 10.6% to €169 million; the Group's EBITDA margin rose by almost 2 percentage points to reach 24.4% as of September 30.

### Activity and earnings for the period

<i>(in € millions)</i>	09/30/2014 Actual (1)	09/30/2013 Actual (2)	% Change (1) / (2)
<b>Sales</b>	<b>693.0</b>	<b>678.0</b>	+2.2
<b>EBITDA</b>	<b>168.8</b>	<b>152.7</b>	+10.6
EBITDA/SALES		24.4%	22.5%
Cost of borrowing and other	-17.4	-14.9	+16.8
Income expense	-16.7	-13.8	+20.7
Share of net income of associates	3.5	3.7	-5.4
Net income from discontinued operations	-0.3	-3.7	N/A
Goodwill impairment	0.0	-20.3	N/A
Net income	29.9	0.3	N/A
Minority interest in earnings	4.5	-1.6	N/A
<b>Net income (Group share)</b>	<b>25.4</b>	<b>1.9</b>	<b>N/A</b>

The strength of the Group's business performance, along with better control over its operating expenses, allowed CDA to considerably improve its profitability.

In a particularly favorable financial market environment (interest rates at historic lows and high level of market liquidity), CDA strengthened its credit lines: the syndicated credit facility expiring in 2015 was renewed in the amount of €260 million expiring in 2019 with optimized conditions (50 % reduction in financing cost). The Group also carried out a €100 million bond issue on the Euro PP market, with a coupon of 3.5% and ten-year maturity. The duration of the debt was thus increased by 2.5 years to 6 years.

With regard to significant changes in the consolidated Group during the year, the sale of the investment in Looping Holding is notable.

As of September 30, 2014, the Group's net income amounted to €25.4 million, compared with €1.9 million for the previous financial year.

## Sales

<i>(in € millions)</i>	09/30/2014 (1)	09/30/2013 (2)	% Change (1)/(2)
Ski areas	388.6	393.6	-1.3%
Leisure destinations	298.6	280.9	+6.3%
International growth	5.3	2.4	120.8%
Holding companies and support subsidiaries	0.5	1.1	NS
<b>Sales</b>	<b>693.0</b>	<b>678.0</b>	<b>+2.2%</b>

### Ski areas

After two seasons of rising visitor numbers, the Ski areas division saw a slight decline in business in the year. Sales amounted to €388.6 million, a decrease of 1.3% compared with the previous year. The number of skier days declined by 3.3%, while the market declined more significantly (-4.5%). However, the average spend rose by 2.2%.

Real estate sales, which dipped slightly (€2.7 million compared with €3.8 million in 2013), remained marginal in respect of the business activities of the Ski areas segment as a whole (<1%).

### Leisure destinations

Sales in the Leisure destinations division rose significantly to €298.6 million (+6.3%), driven by growth in visitor numbers (+6.9%) to 9 million as of September 30, 2014.

This improvement was achieved while keeping control of visitor spending, which remained stable compared with N-1 (-0.3%), and the division – like the Ski areas division – had to contend with a VAT increase of 3 percentage points.

The Group benefited from the initial effects of its strategy to achieve Very High Satisfaction: improved commercial agility in a difficult economic environment, management of customer satisfaction black spots (hospitality, waiting times for attractions, sanitary facilities, etc.), and well-targeted investments to increase attractiveness, including Forêt d'Idéfix at Parc Astérix and Raving Rabbids at Futuroscope, among others.

### International growth

At €5.3 million in financial year 2013/2014, international sales more than doubled year-on-year.

The expansion of the Grévin museums continued with the opening of Grévin Prague last May. In addition, Grévin Montreal has just ended its first full year of business. These two sites represent almost 50% of the sales in this business segment.

In addition to the performance of its contract for the 2014 Winter Olympics in Sochi, the Group is continuing its advisory services regarding the development of winter sport resorts in North Caucasus and with Mac Earth in Japan. The advisory business is also growing in the theme parks sector: CDA is providing advisory services for Morocco's first theme park in Casablanca, which is scheduled to open in 2015. The Company has also entered into partnership with Unibail with a view to opening an Indoor Spirouland in Belgium, as part of the development of one of the Benelux region's largest commercial areas on the edge of Brussels.

## EBITDA

Gross operating income (EBITDA) came to €168.8 million, a rise of 10.6% on the previous year.

### BREAKDOWN OF EBITDA BY BUSINESS SEGMENT

<i>(in € millions)</i>	09/30/2014		09/30/2013		% Change (1)/(2)
	Amount (1)	% of sales	Amount (2)	% of sales	
Ski areas	135.0	34.7%	136.4	34.6%	-1.0%
Leisure destinations	59.8	20.0%	40.5	14.4%	47.6%
International growth	-2.5	N/A	-3.2	NS	21.9%
Holding companies and support subsidiaries	-23.5	N/A	-21.0	NS	-11.9%
<b>EBITDA</b>	<b>168.8</b>	<b>24.4%</b>	<b>152.7</b>	<b>22.5%</b>	<b>+10.6%</b>

The Group restated EBITDA between its different business activities for analytical purposes. This change is reflected in the two financial years presented above and therefore has no impact on the assessment of annual performance. Detailed information explaining this restatement is presented in the Notes to the Consolidated Financial Statements.

#### Ski areas

The EBITDA of the Ski areas business amounted to €135 million, a slight decrease of 1% compared with the previous year, in a context of declining business activity.

Thanks to the tight control of its operating expenses, which were down year-on-year, the Group's EBITDA margin stabilized at a high level: 34.7% versus 34.6% in 2013.

#### Leisure destinations

In a context of rising business activity, coupled with extensive work on cost structures, theme parks registered a sharp improvement in EBITDA (+47.6%), which amounted to €59.8 million as of September 30, 2014, compared with €40.5 million in N-1. The EBITDA margin increased significantly (20% compared with 14.4% in 2013).

#### International growth

The stepped-up international expansion of the Grévin museums, at a rate of one museum opening a year, has not yet made it possible for the business to break even.

However, developments are progressing on schedule and on budget thanks to careful control of

operating expenses during these phases of expansion.

The advisory business, which requires only a small investment, generated positive EBITDA during the year (EBITDA margin of around 30%).

#### Holding companies and support subsidiaries

The centralization of certain inter-divisional functions (communication, HR management, ticketing technology, digital technology, standardized management software, marketing policy, etc.) represents a significant proportion of this segment's expenses. As with the Group's other business areas, cost management makes it possible to control the segment's results.

The costs of the holding companies, before taking into account the recharging of corporate services provided to subsidiaries, declined by 4% at the same time as an international development team was being set up to support CDA's advisory business.

The decline in EBITDA is solely attributable to changes in intra-Group recharges.

## Capital expenditure

Investment levels are one of the main performance measures monitored by the Group, alongside sales and EBITDA.

Capital expenditure (net of disposals) amounted to €124.9 million in financial year 2013/2014, which, at 18% of the Group's sales, represents a decline of 8.2% compared with the previous year.

### BREAKDOWN OF INVESTMENTS BY BUSINESS SEGMENT

<i>(in € millions)</i>	09/30/2014		09/30/2013		% Change (1)/(2)
	Amount (1)	% of sales	Amount (2)	% of sales	
Ski areas	66.1	17.0%	76.7	19.5%	-13.9%
Leisure destinations	46.5	15.6%	45.5	16.2%	+2.1%
International growth	9.0	N/A	12.3	N/A	N/A
Holding companies and support subsidiaries	3.3	N/A	1.6	N/A	N/A
<b>TOTAL</b>	<b>124.9</b>	<b>18.0%</b>	<b>136.1</b>	<b>20.1%</b>	<b>-8.3%</b>

Investments in **Ski areas** amounted to €66 million (representing 17% of sales). These mainly related to ski lifts, snowmaking equipment, grooming machines and ski run and trail work (Notes 6.2 and 6.3 to the Consolidated Financial Statements). In close collaboration with the licensors, the Group is focusing its efforts on investments that will generate additional revenues, increase the attractiveness of the product offered to customers, and optimize operating expenses.

In the **Leisure destinations** segment, investment remained stable at €46 million, or 15.6% of the segment's sales. To pursue its strategy of achieving "Very High Satisfaction", the Group also made investments to improve attractiveness over a multi-year horizon. financial year 2014 will have allowed Futuroscope to revitalize its park with the opening of the new "Raving Rabbids" attraction in December. Parc Astérix has galvanized its family customer base with the opening of the Forêt d'Idéfix. Walibi Holland continued its bungalow renovation program.

With regard to **International development**, the investments made during the year primarily relate to the completion of the Grévin museum in Prague, which opened in May 2014. In 2013, this item included the investments in the Grévin museum in Montreal.

In the **Holding companies and support subsidiaries** segment, the investments largely relate to intangible assets (mainly software). The investment made by engineering subsidiary Ingelo (€1 million) in 2014 to acquire AZTEC grooming machines, a new market player with which CDA has entered into partnership, is notable.

## Net income

Operating income increased sharply (up 23.1% to €61 million) thanks to the business growth and improved operating margin in the Leisure destinations segment. To a lesser extent, it is also worth highlighting the favorable outcome of a lawsuit, which resulted in net extraordinary income of €2.7 million.

The increase in borrowing costs is due to the recognition of the balance of the deferred negotiation costs for the previous syndicated loan in 2014 (around €1 million) and a slight rise in the Group's average debt, particularly due to the acquisition of the minority interest in the Deux Alpes resort and the Group's international development. The average interest rate increased from 3.7% in 2013 to 3.9% in 2014.

The income tax expense increased considerably in line with the development of the Group's results. The nominal tax rate is 38.7%.

The share of net income of associates declined slightly compared with 2013. Following the sale of the remaining interest in Looping Holding, only the investments in the Chamonix, Avoriaz, La Rosière, and Valmorel resorts are accounted for using the equity method. The change in these results reflects the general market trend and that experienced by CDA's resorts.

Income from discontinued operations relates to the disposal gain on the Group's investment in Looping

Holding and to the final effects from the final discontinuation of the business of EcoBioGestion (the principal operations of Parc du Bioscope ceased in 2012).

In 2013, this item included provisions for CDA's commitments to the licensor to assist it with the implementation of alternative activities following the closure of Park du Bioscope at the end of 2012.

Earnings (Group share) amounted to €25.4 million in financial year 2013/2014.

### Cash and cash equivalents

<i>(in € millions)</i>	09/30/2014	09/30/2013
Operating cash flow after net borrowing cost and tax	136.6	126.1
Net capital expenditure (CAPEX)	-124.9	-136.1
<b>Free cash flow</b>	<b>11.7</b>	<b>-10.0</b>
Net financial investments	-4.9	-15.2
Change in borrowings	101.4	-4.0
Dividends	-3.6	-20.8
Change in WCR and other	3.4	-3.6
<b>Change in cash position</b>	<b>108.0</b>	<b>-53.6</b>

Cash flow totaled almost €137 million (19.7% of sales), a rise of 8% compared with September 30, 2013, reflecting the improvement in the Group's business activities.

The clear improvement in free cash flow (up €21.7 million year-on-year) also reflects the reduction in investments during the financial year.

The annual financial investments primarily relate to the acquisition of minority interests in Deux Alpes Invest (for €10 million), plus minor investments in the real estate operations in the ski resorts to create or renovate tourist accommodation. They also reflect the disposal of the Group's interest in Looping Holding (€9 million).

The change in borrowings is attributable to the €100 million bond issue on the Euro PP market, which in part replaces the financing previously obtained through bank overdrafts (hence the equivalent change in cash and cash equivalents).

CDA did not distribute dividends in 2014. However, the subsidiaries paid out almost €4 million to their minority shareholders.



### 3. GROUP'S ACTIVITIES

#### **Ski areas (56% of 2013/2014 Group consolidated sales)**

##### **PARADISKI: La Plagne, Les Arcs and Peisey-Vallandry**

**Paradiski** is one of the world's largest ski areas with 425 km of slopes on close to 15,000 hectares. The Vanoise Express, which is the highest-capacity cable car in the world, links the three renowned resorts that make up this ski area: La Plagne, Les Arcs and Peisey-Vallandry.

**La Plagne** - With 79% of the ski area above 2,000 m, 10 villages and a facility-equipped glacier at 3,250 m, and a downhill descent of more than 2,000 m, La Plagne, created in 1960, is the world's biggest resort. It has seen the birth of champions such as Kévin Rolland and Julien Lizeroux, and is host to prestigious alpine events.

**Les Arcs** - Les Arcs offers an exceptional ski area that covers an altitude of between 1,200 and 3,226 m. World famous for the architecture of the resort town, pioneer of new snow sports and the birthplace of snowboarding in Europe, Les Arcs is the most avant-garde of all alpine resorts. The resort, which is made up of four villages, offers a variety of slope profiles catering to all levels of skiing, a panoramic view of Mont-Blanc and plenty of sunshine.

**Peisey-Vallandry** - The geographical center of Paradiski, Peisey-Vallandry offers authenticity and cheerful hospitality on a human scale. This resort, which welcomed its first skiers in 1948, comprises five savoyard villages. The varied slopes of Peisey-Vallandry are located on the sunny wooded face of Les Arcs. The resort also boasts a vast Nordic skiing area for cross-country skiing, snowshoeing, or sledding.

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Compagnie des Alpes operates the La Plagne ski stations through its subsidiary SAP and the Les Arcs and Peisey-Vallandry stations via subsidiary ADS. During 2013/2014, these two companies generated sales of €124.1 million with close to 4.6 million skier days.

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##### **ESPACE KILLY: Tignes and Val d'Isère**

**Espace Killy** is a ski area in France comprising the resorts of Val d'Isère and Tignes en Savoie. Situated

in the Vanoise massif and named for the skier Jean-Claude Killy, the area extends from the Pisailas glacier above the Col de l'Iseran in Val d'Isère to the Grande Motte glacier above Val Claret in Tignes.

**Tignes** - Tignes offers a unique way of experiencing the mountains. The seasons here are the longest in Europe (from the beginning of October to mid-May) owing to the resort's high altitude (1,550 m to 3,450 m) and extend from June to August thanks to the Grande Motte glacier. More than 80% of Tignes' vacationers are skiers, The clientele is young, international, and sporty.

**Val d'Isère** - Set at an altitude of 1,850 m in the heart of Espace Killy, the Val d'Isère village, which became a ski resort in 1934, is an international ski resort that blends innovation and authenticity. This constantly evolving resort attracts the most cosmopolitan of customers. Its distinguishing feature lies in its broad ski offering and a complete range of high-profile services, affordable by all.

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Compagnie des Alpes subsidiaries STGM and STVI manage the Tignes and Val d'Isère ski areas, respectively. During 2013/2014, they generated sales of €82.6 million with 2.8 million skier days.

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##### **LES TROIS VALLEES: Les Menuires and Méribel**

Compagnie des Alpes operates two of the eight ski reports in Trois Vallées, the largest ski region in the world with 600 km of slopes fully linked by ski lifts. It is located in the Tarentaise Valley and comprises three valleys: Bozel, Allues and Belleville.

**Les Menuires** - The "Station des Grands Espaces" opened in 1964. It soon became a hallmark of the development of the ski industry in France and is now ranked among the best ski areas in Europe. Its snow-maker coverage extends to nearly half of the ski runs, guaranteeing quality snow up to the end of April.

**Méribel** - Nestling in the heart of the 3 Vallées, just 2 hours away from Lyon, Geneva and Italy, Méribel is the personification of charm since it opened its first facilities in 1938. It is a genuine alpine village with its chalets of wood and stone. Snow-making machines cover more than half of the ski area of which 85% is above the 1,800 m altitude mark, guaranteeing optimum snow conditions throughout the season.

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Compagnie des Alpes operates the Menuires and Méribel resorts through its subsidiaries Sevabel and Méribel Alpina. They generated sales of €71.1 million in 2013/2014 from 2.4 million skier days.

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### **GRAND MASSIF: Flaine, Samoëns, Morillon and Sixt**

Compagnie des Alpes operates four of the five resorts comprising the Grand Massif in Haute-Savoie. With the exception of Flaine, the average altitude of their sites is lower than that of the Group's other areas.

**Flaine** - At an altitude of 1,600 m to 2,500 m, Flaine offers a breathtaking view of Mont-Blanc. The resort, which opened in 1969, with several buildings listed in the "Compendium of Historical Landmarks of France", with its typical monumental open-air structures.

**Samoëns, Morillon, and Sixt** - At the heart of the Giffre valley, these three resorts offer an authentic mountain village experience. A network of powerful gondola lifts link them to the high-altitude ski area.

With slopes suitable for all levels and stunning natural sites, the valley has a great deal to offer. The jewel of the Grand Massif, a 14 km blue run that skirts the Natural Reserve, links Flaine to Sixt.

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Compagnie des Alpes subsidiaries DSF and DSG operate the Flaine, Samoëns, Morillon and Sixt ski areas. These areas generated sales of €35.9 million in 2013/2014. The number of skier days was 1.3 million.

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### **SERRE CHEVALIER VALLEE**

Situated in the southern Alps in the Ecrins national park, Serre Chevalier Vallée is a ski resort made up of authentic villages, as well as Briançon, a town that is a UNESCO World Heritage site for its Vauban fortifications.

The ski area is one of the largest in Europe: 80% of its surface area is above the 2,000 m altitude mark and its north-facing slopes allow it to offer excellent natural snow conditions from mid-December to the end of April. Additionally, Serre Chevalier has one of the largest artificial snow-making networks in Europe – covering more than one-third of the area – to ensure optimum skiing conditions all through the winter.

Big league skiing at high-altitudes, unhurried skiing in larch forests, fun skiing in designated fun areas,

family skiing in protected zones: Serre Chevalier has something for every kind of skier.

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The company SCV Domaine Skiable, a subsidiary of the Group, operates the Serre Chevalier Valley ski area. It generated sales of €30.9 million in 2013/2014, with 1.2 million skier days.

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### **LES DEUX ALPES**

Situated at the border between the northern and southern Alps, in the heart of the Massif de l'Oisans, the Deux Alpes resort enjoys international fame, mainly due to its ski area: 225 km of marked ski runs and trails, starting at 1,300 m and reaching 3,600 m in altitude, the summit of the biggest skiable glacier in Europe with a 360° panoramic view of the Alps.

The ski area has several significant characteristics: the "natural snow" guarantee thanks to the glacier, ski-in-ski-out access from one's residence, an internationally renowned snowpark at 2,600 m, and the opportunity to race down a run with a difference in elevation of 2,300 m, without having to take a ski lift. In summer, 200 hectares of glacier are equipped for snow sports.

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The Deux Alpes ski area is managed by DAL, a subsidiary of Compagnie des Alpes. It generated sales of €43.9 million in 2013/2014 with 1.2 million skier days.

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### **Leisure destinations (43% of 2013/2014 Group consolidated sales)**

**Parc Astérix** - Located 30 km to the north of Paris, Parc Astérix is one of the three biggest parks in France, offering a savvy blend of humor, friendliness, shared experience and authenticity. The park has its own original and well-established identity, which the visitor can experience in the six worlds that make up the park: Egypt, Welcome to Gaul, The Roman Empire, Ancient Greece, The Vikings, and Travel through time.

It expands its offering each year with a whole host of live shows, astonishing events, rides and attractions for one and all. Everything is carefully staged to depict the Gallic spirit portrayed by Albert Uderzo and René Goscinny, the creators of Asterix.

The park offers visitors three shows and 35 attractions (ten for thrill seekers, 19 for families, and six for children).

The world of Parc Astérix extends to the three-star Trois Hiboux hotel, which is tucked away in the calm of the forest at the edge of the park.

Parc Astérix celebrated its 25th anniversary this season. To mark the occasion, it opened a new zone entirely dedicated to young children and their parents, which was a great success: La Forêt d'Idéfix.

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In 2013/2014, Parc Astérix generated sales of €73.1 million and welcomed 1.7 million visitors.

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**Futuroscope** - Futuroscope, France's first major amusement park, which opened its doors in 1987 and is located on 60 hectares of wooded land, plays on its difference to drive its expansion. It makes a two-fold promise: enjoy the feelings, sensations and fun that it has to offer, and learn at the same time.

Its strength lies in the large number of diverse attractions in the technology universe for all audiences. In addition, 2013/2014 was an exceptional season for Futuroscope with the launch – in partnership with Ubisoft – of its new 5D attraction "The Time Machine", where the Raving Rabbits take visitors on a journey through time. This attraction was named the best attraction in the world at the IAAPA Attractions Expo.

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Futuroscope is open for almost the entire year, with its main period of closure in January. In generated sales of €84.8 million in 2013/2014, with 1.6 million visitors.

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**Grévin Paris** - The site's primary beauty lies in the museum, which is located in the 9th arrondissement of Paris, and its historical decor. It houses a theater built in 1900 and decorated by Antoine Bourdelle and Jules Chéret, which is listed in the Additional inventory of historical monuments. Grévin is a world in which reality gets mistaken for fantasy, and fact for fiction. Through its characters and settings, Grévin creates the illusion of an interactive meeting. French and foreign celebrities, contemporary or historical, are represented.

The Académie Grévin meets twice a year, under the authority of its President, to select the celebrities who have been elected to enter the Grévin. This year, likenesses of singer M. Pokora, quick-change artist Arturo Brachetti, impressionist and comedian

Patrick Sébastien, model and actress Laetitia Casta, and American actress Angelina Jolie all went on display.

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Grévin's sales amounted to €13.0 million in 2013/2014, with the museum welcoming 724,000 visitors.

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### **Other French sites (Mer de Sable, France Miniature, Planète Sauvage, Walibi Rhône-Alpes, Walibi Sud-Ouest)**

**Mer de Sable** - Mer de Sable is a theme park in the heart of the Ermenonville forest, in a magnificent natural setting just a stone's throw away from Paris.

Its main themes are adventure, discovery and getaway. Opened in 1963, Mer de Sable is the oldest amusement park in France.

Mer de Sable offers visitors 26 attractions and three major shows through its three mythical worlds: The Gateway to the Desert, The Wild West, and The Jungle.

**France Miniature** - Ten minutes away from Versailles lies the biggest miniatures park in Europe, France Miniature, covering an area of 8 hectares including 1.5 hectares of water. The park guides visitors through the history and geography of France, in less than a day: France's rich heritage is represented in the 117 exact replicas of its best monuments, all of which are 1/30 scale models, and 150 landscapes.

**Planète Sauvage** - Opened in 1992, located in a natural preserved territory a few kilometers away from Nantes, Planète Sauvage is a recreational animal park covering more than 80 hectares: a new home for over 1,000 animals of 100 different species from four continents, living in semi-captivity. Visitors are able to admire them from the different routes, including the "Village de Kirikou", which enjoyed great success this year.

With around 150 births per year, the park is one of the top wildlife breeding centers and one of the biggest and best-equipped animal reserves in Europe.

**Walibi Rhône-Alpes** - Established in a magnificent natural setting in Avenières since 1979, Walibi Rhône- Alpes offers over 25 attractions and shows as well as the biggest waterpark in that region (13,000 m2). Walibi is a place to explore and enjoy with family or friends. The park covers an area of 35 hectares and the twenty or so attractions border the 7,500 m2 lake in the center of the site.

**Walibi Sud-Ouest**<sup>1</sup> - Walibi Sud-Ouest is an all-family amusement park spanning 30 hectares, which opened in 1992 and owes its success to its superb green setting. The site offers over 20 attractions and rides and three shows around four themes: "Thrills", "Family", "Children", and "Shows".

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Other French sites generated sales of €32.7 million in 2013/2014, with visitor numbers reaching 1.4 million.

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#### **Dutch park: Dolfinarium and Walibi Holland**

**Dolfinarium**<sup>2</sup> - Opened in 1965, the Harderwijk Dolfinarium in the Netherlands is the largest sea mammal park in Europe. It has play areas, pens and aquariums, and more than ten shows to present sea mammals and animals to a family audience in a wonderful tourist environment.

**Walibi Holland** - Walibi Holland, opened in 1994, is one of the biggest parks in the Netherlands. It is divided into eight themed areas. The park is also famous for its festivals, including "Summer Nights" and "Halloween Fright Nights", whose success transcends Dutch borders.

Walibi Holland continued its bungalow renovation program this year, meaning it is able to offer visitors accommodation that is particularly suited to families.

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The two Dutch parks generated total sales of €43.1 million in 2013/2014 and welcomed 1.5 million visitors.

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<sup>1</sup> Walibi Sud-Ouest had been sold on 29 January, 2015 2015 (see 5. hereafter)

<sup>2</sup> Dolfinarium had been sold on 8 January, 2015 (see 5. hereafter)

#### **Belgian Parks: Walibi Belgium, Aqualibi and Bellewaerde**

**Walibi Belgium** - Created in 1975, Walibi Belgium was the first Walibi amusement park. This family park offers musical shows and more than forty attractions, half of which designed for young children, in themed settings. Walibi is internationally renowned for its biggest attractions such as Werewolf, Vampire, Dalton Terror and Radja River. And not to forget the park's legendary attraction, the Psyké Underground, the world's only covered launch coaster, which propels its passengers 45 m into the air at 85 km/h.

**Aqualibi** - Located close to Walibi Belgium, Aqualibi was opened in 1987. Spanning 6,000 m2, the park has eight slides, including the "Rapido", a 140 meter-long slide that can be descended at 50 km/h. A 300 m2 space was recently created especially for children.

**Bellewaerde** - This family park in Ypres is a landmark in Belgium, where 40% of visitors come from the north of France. Established in 1954, Bellewaerde is a unique combination of an amusement park and an animal park, in a lush natural setting.

Bellewaerde is also officially recognized as a zoological organization by the Belgian Federal Public Service for Health.

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The three Belgian parks generated sales of €46.8 million in 2013/2014, with 1.9 million visitors.

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**German park : Fort Fun** – Established in 1967, the park has expanded over the years around a Wild West theme. The illusion is conjured up in the wild and mountainous Sauerland, to the west of Frankfurt, and creates an atmosphere of trappers' camps and saloons. The park offers over 40 attractions and rides and boasts of one of the biggest slides in Europe, as well as a sky glider to soar over the hills at over 80 km/h.

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Fort Fun generated sales of €5.2 million and welcomed close to 240,000 visitors.

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### **International growth (less than 1% of 2013/2014 Group consolidated sales)**

This section addresses international growth activities, primarily two specific kinds:

#### **Exporting the Musée Grévin model abroad**

As part of its international growth strategy, at the start of 2013 Compagnie des Alpes opened its first international Grévin in Montreal, followed by a second in Prague in May 2014. The Group has also announced the opening of a Chaplin's World by Grévin in Vevey in spring 2016.

**Grévin Montréal** - Topping the local cultural offering with its recreation of Grévin, the Montréal project keeps the fundamentals while adding a definite Quebecoise angle. While the trademark and spirit remain French, the approach is different with regard to the multisensory experience, the stage design and the personalities chosen.

**Grévin Prague** - Located in a major tourist and shopping hub in the historic heart of the old town, Grévin Prague enjoys an ideal position at the crossroads of the different tourist routes. The resolutely modern and sleek structure is staged as several different worlds and displays the waxwork doubles of more than 80 historical and contemporary celebrities.

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Grévin Montréal and Grévin Prague (operating for just five months) generated sales of €2.5 million and attracted close to 250,000 visitors in 2013/2014.

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#### **Advisory business – CDA Management**

Based on its first-hand experience as a leading ski resort and leisure park operator, Compagnie des Alpes has developed into the consulting through its subsidiary CDA Management. This subsidiary mainly offers its expertise to international clients and covers the following areas:

- Development of site concept and market positioning
- Master planning
- Construction support
- Preparing for launch
- Operational support.

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In 2013/2014, this business generated sales of more than €2.7 million, which relates mainly to contracts regarding ski areas in the Russian Caucasus (Arkhyz, Elbrus and Veduchi) and the upcoming opening of the Sindibad leisure park in Morocco.

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### **4. ACTIVITIES AND RESULTS OF COMPAGNIE DES ALPES S.A.**

#### **Role of Compagnie des Alpes S.A. within the Group**

The purpose of Compagnie des Alpes SA is to hold investments; monitor, manage, and control Group development; manage senior management staff. The company places resources and services at the disposal of subsidiaries, especially with a view to making management more efficient, and undertakes specific projects aimed at developing the business internationally and generating synergies between the segments.

To this end, CDA assumes responsibility for certain functions for the entire Group such as the preparation of consolidated financial statements, and the financial and institutional disclosure of all Group business with particular regard to its stock market listing. It is also manages the Group's procurement functions (assistance in managing energy suppliers, travel policy, group equipment purchases, etc.), as well as its insurance and financing policy. As of this financial year, CDA SA has centralized certain sales teams within Leisure destinations, as well as the "Product development and quality" team, which previously belonged to a different Group structure. It provides advice and assistance to subsidiaries with regard to their everyday operations.

And through its matrix organization, it offers the services needed to steer the Group (legal, financial, IT, technical, HRM, strategic and operational marketing).

In this respect, it recharges its subsidiaries for part of its services in accordance with strict legal and tax requirements.

The average number of permanent employees at CDA SA rose from 114 to 126 full-time equivalents (FTEs), without affecting the total number of Group employees.

## Activities and results

During the financial year, Compagnie des Alpes reviewed its internal recharging policy. The new allocation method led to a considerable reduction in recharges (down €4 million compared with the previous year), particularly to certain foreign subsidiaries.

The policy to control operating expenses made it possible to keep expenses at the 2013 level, despite the implementation of new cross-divisional projects and the final effects of the centralization measures mentioned above.

These factors resulted in a net operating loss of €10.0 million (previous year: €5.5 million). Due to the €10 million improvement in financial income and

the extraordinary income of €2 million, which benefited from the non-renewal of the extraordinary provisions recognized in 2013, the company returned to profitability with net income of €2.7 million compared with a loss of €5.3 million in the previous financial year.

During the financial year, CDA reorganized its financial resources by issuing a 10-year bond on the Euro PP market with a volume of €100 million and by repaying part of its old credit facilities.

The company also disposed of its minority interests in Looping Holding and Ecoparcs (and the associated receivables) in April and May 2014. The gain realized was insignificant (€0.3 million).

## Key figures of the company

(in € millions)	09/30/2010	09/30/2011	09/30/2012	09/30/2013	09/30/2014
Net financial assets	702.7	839.5	827.0	832.1	852.7
Shareholders' equity	587.3	573.9	563.0	540.8	543.3
Net debt (1)	105.7	268.4	257.3	280.5	299.0
Net income	13.5	10.6	9.6	-5.3	2.7
Net dividend	24.1	20.5	16.9	0	

(1) Financial debt less cash and cash equivalents in the balance sheet assets

## 5. EVENTS AFTER THE REPORTING PERIOD

On January 8, 2015, CDA sold the Dolfinarium in the Netherlands, and by the end of January, it will have completed the sale of Walibi Sud-Ouest, which is located close to Agen, to Continental Leisure Project SARL (part of the Aspro group), this project having just been received approval from the staff representatives.

These two transactions are in line with the continued strategy of refocusing CDA's leisure park portfolio strategy announced a year ago and confirmed during the announcement of results on December 18, which were sharply up in the Leisure destinations segment.

The transaction amounted to a total of €37.5 million, paid in cash.

It relates to two sites which in 2013/2014 generated sales of €22.5 million and EBITDA amounting to roughly 6% of the Leisure destinations business unit's EBITDA.

## 6. STRATEGY AND OUTLOOK FOR 2014/2015

### Strategy

The Compagnie des Alpes Group's growth strategy centers on three core areas:

- Creating a new dynamic in the ski areas
- Refocusing on Leisure destinations capable of offering and leveraging highly satisfactory experiences (Très Grande Satisfaction)
- Speeding up organic growth abroad.

With regard to the Ski areas business, with the support of the local stakeholders, CDA is stepping up its activities to generate volume growth among foreign customers (a customer base with considerable potential), revitalize the spring ski season, which has suffered in recent years due to the timing of school holidays, and attract beginners.

At the same time, CDA is continuing its measures to enhance the attractiveness of the alpine sites and add value for the entire mountain ecosystem. The

Group is pursuing an integrated strategy to improve the accommodation offering: through Foncière Rénovation Montagne, a property company founded with the support of CDA's major shareholders, on behalf of which CDA purchases properties, renovates them and puts them back on the rental market. The CDA Group also acts through its real estate agencies, which managed close to 10,000 beds at the end of 2014, and is strengthening and diversifying its sales networks. Two websites selling mountain vacations were created during the financial year: Alpes Ski Résa, a network belonging to the Group and dedicated to its resorts, and Skigloo, created in partnership with France's leading online vacation sales company, Promovacances.

Business-to-business marketing is also being revitalized through Paradiski Tour and Deux Alpes Voyages, two tour operating companies belonging to the Group. Their aim is to create stocks of beds with local agencies and accommodation providers, and sell packages to foreign tour operators.

The CDA Group, which is the world leader in the operation and development of ski areas, grew its market share in 2014. Its products remain highly attractive, with competitive ski pass prices relative to comparable European resorts and facilities that are commensurate with the relevant areas.

With regard to Leisure destinations, the Group aims achieve very high customer satisfaction levels, which will allow it to profitably develop the division over the medium term.

The fourth-largest company in the sector in Europe, CDA has overhauled the management organization to raise local managers' awareness of their responsibility for the overall performance of their sites (sales, margins, capex, customer satisfaction levels, etc.) and to strengthen the mutual support between the sites in terms of sales, digital technology, and customer satisfaction. The engagement of all employees is also essential to making progress in terms of quality of hospitality, waiting times, atmosphere, and immersion in the experience. In order to further grow its market share, the Group intends to achieve operational excellence in these areas – excellence that is monitored and measured based on customer expectations.

In addition, efforts have been stepped up to generate growth outside of peak season, particularly through key events in the calendar year, such as Halloween in the fall. The pricing policy is managed on a weekly, or even daily, basis to

ensure we are able to effectively adapt economic and social shifts.

In addition, the Group is pursuing its investment policy by targeting customer growth (increasing attractiveness) and making customers want to return (financing the "Very High Satisfaction" plan). Lastly, as announced on publication of the 2013 annual results, CDA is in the process of realigning its portfolio of parks to focus on the sites it considers to have the most profit potential. Consequently, the Group sold Dolfinarium on January 8, 2015, and announced the sale of Walibi Sud-Ouest. These sales were carried out for an EBITDA multiple of more than 10, increasing the value of CDA's strategic assets portfolio.

This year, the four-year\* target EBITDA margin was increased by two percentage points from 25% to 27%, reflecting the Group's intention of meeting the highest industry standards.

The acceleration of the Group's development is also being supported by the extension of its international activities. Although the Group's main business activities are currently concentrated in Europe, where the markets are competitive and often already mature, international markets – starting with Asia and Russia – offer significant growth potential.

The development of indoor concepts will continue. Following the opening of the Montreal and then the Prague sites, the Group is to open a new Grévin museum in Seoul in 2015 and a "Chaplin's World by Grévin" in Switzerland will open its doors to visitors in 2016. An indoor attraction under the Spirou brand for children aged between four and ten is to be developed with Unibail as part of the Heysel redevelopment project in Brussels.

CDA's international business growth is also being bolstered by its advisory and support contracts, which are currently focused on Russia and Japan with regard to the ski business. With regard to leisure parks, CDA's activities currently center on the Mediterranean basin, essentially Morocco (the Sindibad park in Casablanca is to open its doors in the first half of 2015) and Portugal. These contracts, which have to date been realized without capital expenditures, are an effective showcase for the Group in respect of future international expansion.

Dominique Marcel perfectly summed up CDA's position and its ambitions when concluding the presentation of last year's results: "The Group is very well placed to develop its innovative, high-value projects and to make the most of investment

and acquisition opportunities with strong, complementary partners both in France and abroad, which will allow it to become a cornerstone of the market."

### **Outlook for 2014/2015**

After the late arrival of snow in the Alps in December 2014, encouraging signs for the season emerged in the first few days of 2015. Accommodation providers announced solid reservation figures. Due to the current geopolitical situation, caution with regard to Russian customer numbers is advisable for this season, although this customer group is less significant in CDA's resorts. Exchange rate developments should be favorable for British and Swiss customers.

With regard to new attractions, a new multi-activity zone intended to enhance the attractiveness of Arc 1800 will be completed in summer 2015, as will the Jandry piste in Deux Alpes, which aims to allow all customers to ski back to the resort. Other projects to optimize revenues (Betteix aux Menuires) and operating costs (Colosses project in La Plagne), or increase snowmaking reliability (snow factory in Val d'Isère) are also planned.

With regard to Leisure destinations, healthy growth of 15.3% was recorded at the start of the season, following the record first quarter of 2013.

The division was boosted by the success of the Halloween events in all of the Group's European parks (Parc Astérix, Walibi Belgium, Walibi Holland) and the fine fall season. As a result, business during the two-week school holidays in the fall, which

accounts for almost 50% of the quarter, grew by close to 15%. In addition, Futuroscope, which is open throughout the quarter also performed well.

The Group will continue its targeted investments during the financial year. These will largely start to bear fruit in the 2016 season, particularly in Belgium, the Netherlands and Walibi Rhône-Alpes.

Internationally, CDA is continuing to expand its Grévin museums (Seoul 2015, Vevey 2016) as well as its expert services in the areas of skiing and leisure parks (Morocco and Portugal, among others).

All of these activities are being conducted in line with the strategic plan and with the aim of setting three inter-divisional priorities in France and abroad:

- Achievement of "Very High Satisfaction" in all business activities
- Expansion of digital technology
- Use of partnerships to accelerate growth

\* Excluding Futuroscope, which leases most of its assets and whose performance is therefore recorded in operating income.





## REQUEST FOR COPIES OF DOCUMENTS AND INFORMATION

(Art. R225-88 of the French Commercial Code)

I, the undersigned,

**SURNAME** .....

**Given names** .....

**Address** .....

**Email** .....

**Holding** ..... **SHARE (S) in COMPAGNIE DES ALPES**

request a copy of the documents and information concerning the General Shareholders' Meeting to be held on **March 12, 2015**, as referred to in Article R. 225-83 of the French Commercial Code, in the following format:

- Paper
- Electronic files to be sent to the email address above

Signed in:

On:

Signature

**NOTE:** Holders of **registered shares** may, with a single request, obtain from the company documents and information referred to in articles R225-81 and R225-83 of the French Commercial Code for each subsequent General Meeting of Shareholders.