

THE PARTOUCHE GROUP

2001 witnessed the Partouche Group strengthening its position in the French gaming sector.

This stage allowed the Group a new boost at the beginning of the current year.

Consolidated net turnover **290,54**
million Euro

Consolidated net income **34,31**
million Euro

Average Workforce **3657**



Japanese Restaurant at the Pasino.



MESSAGE FROM THE CHAIRMAN OF THE SUPERVISORY BOARD

Dear Shareholders and Friends,

I have the great pleasure to bring to you that the Partouche Group has become the leading casinos operator in Europe.

Indeed, after a fierce battle on the stock market with ACCOR group, we have won the public cash offer on the fourth French casinos operator : la Compagnie Européenne de Casinos.

With its 22 casinos : 19 in France, 3 in Belgium and soon 1 in Geneva, CEC will allow the Partouche Group to rise to the highest positions.

Today, we head 52 casinos... This figure is certainly impressive, but it masks the main basis representing the group's values: its workforce, these persons

who manage, work directly with the clientele and also those who behind the scenes, organise daily events for the greatest pleasure of our customers.

All great families need an infusion of new blood in order to fight the flaws of consanguinity. This is why, for the bottom of my heart, I welcome the 1600 members of staff of CEC in our family, assuring them that, more than ever, the fundamental values of the Partouche Group : respect, attention and work bill be honoured.

This is my commitment.

ISIDORE PARTOUCHE

*"To surpass oneself
is the only race that never ends..."*



Moroccan restaurant at the Casino.

MESSAGE FROM THE CHAIRMAN OF THE EXECUTIVE BOARD



Mexican restaurant at the Pasino.

Dear Ladies and Gentlemen, Dear Shareholders,

As chairman of the Executive Board, it's fall to me to tell you of the work achieved in our Group during the 2000-2001 fiscal year and of the outlook for the current year.

First, the Partouche Group has held its leading position in France. Always at the top in the French national rankings, with notably the Lyon Vert in premier position, the Group has been able to realise an economic growth that will reinforce this position.

In Lyons, the "Pharaon" casino, inaugurated in year 2000, welcomed its first slot machines. With henceforth a complete set of games, it can compete with the most important French establishments as from the current fiscal year.

In Aix-en-Provence, the Pasino a new concept devised by Isidore Partouche, has taken a new dimension with promising results.

Thus, satisfied with the Group's activities that recorded a double digit growth in year 2001, and confident in its future progress, we got down to an important task: the restoration of our margins.

We have been able to fulfil the objective of the recovery of our operating margin by two points, thanks to our devotion to the daily management in the various establishments: casinos and hotels.

We had the same motivation during the transition to the Euro or the finalisation, as foreseen, of the assignment of the Bucharest casino.

Controlling the expenses and improving the quality of our investments allowed a reduction in the Group's debt. With the wealth of a healthy financial situation and a highly efficient profitability, the Group was at the end of the fiscal year, in the best conditions to take up new challenges, such as the present concentration prevailing in the casinos sector and answering the invitations to tender that are launched by the major cities in France.

At the beginning of year 2002, we have been able, with the help of our partners and employees, to take over the SA Européenne de Casinos.

Thus a new era is opening up for our Group, now leader in Europe. Our will is that it will be as fruitful as the previous one.

HUBERT BENHAMOU

BACKGROUND

1973

Arriving in France from Algeria, where he was a Philips representative, Mr. Isidore Partouche bought, with the help of his brothers and sisters, the Saint-Amand-les-Eaux casino, together with its spa and mineral water source. Restoring the casino proved successful thanks to the "family" marketing recipes.

1976

Le Touquet Casino was bought from Mr. Lucien Barrière and the establishment returned to its long-standing reputation.

1982

Creation of the Calais Casino.

1986

Acquisition of the Forges-les-Eaux casino, 110 km from Paris, and opening of the Boulogne-sur-Mer casino (SA Numa).

1988

Acquisition of the Dieppe casino.

1989

In 1989, the Fecamp, Bagnoles-de-l'Orne and Vichy casinos joined the Group.

1991

The Partouche Group casinos were finally granted their first slot machines operating licences. The Group also took control of the Lyon Vert casino in La Tour-de-Salvagny that year, together with its subsidiaries, the Saint Galmier and Juan-les-Pins casinos.

1992

The towns of Royat and Chamalières entrusted the Group with reopening of the Royat casino. The Fecamp and Bagnoles-de l'Orne casinos were sold off.

1994

The Partouche Group took control of the Aix-en-Provence and La Ciotat casinos and then in December of the same year acquired the Palavas casino.

1995

Acquisition of an equal share in the Grasse casino leaving management responsibility to the Boucau Group. On 29 March 1995, Groupe Partouche S.A. was launched on the "Second Marché" of the Paris Stock Exchange (Sicovam Code 5354), in order to strengthen the Group's image, consolidate its position in France and provide it with additional resources to finance the development of its business, particularly on the international level. In September 1995, the Group negotiated the acquisition of the prestigious Belgian casino of Knokke-le-Zoute.

1996

The Partouche Group bought out the minority interest of the Générale des Eaux Group in Société Fermière du Casino Municipal de Cannes, listed on the spot market of the Paris Stock Exchange. This company operates the Croisette casino and controls the Hotel Majestic company and the Gray d'Albion in Cannes. The Group opened its first casino in Agadir (Morocco) in association with Club Méditerranée.

1997

Acquisition of the 4-star Hotel which became the Meridien-Garden Beach. This transaction brought together the hotel and the Juan-les-Pins casino properties, constituting a cohesive asset. The town of Cabourg entrusted the Partouche Group with reopening of its Grand Casino.

1998

The Partouche Group celebrated its 25th anniversary in April 1998 and opened the Jerba Pasino, its original concept as an entertainment centre, combined with a casino. In June 1998, the Group bought the Carlton Casino Club in Cannes from the English group London Clubs International. On 2 November 1998, the Partouche Group bought out the Vivendi Group's 99% interest in Cannes Balnéaire, the company which owns the Cannes Palm Beach, with a view to reopening an establishment, known to be the most prestigious casino in France. On the same date, Groupe Partouche S.A. was transferred on what at the time was the monthly settlement Department, division of the "Premier Marché" of the Paris Stock Exchange.



The table games room at the Pasino.

1999

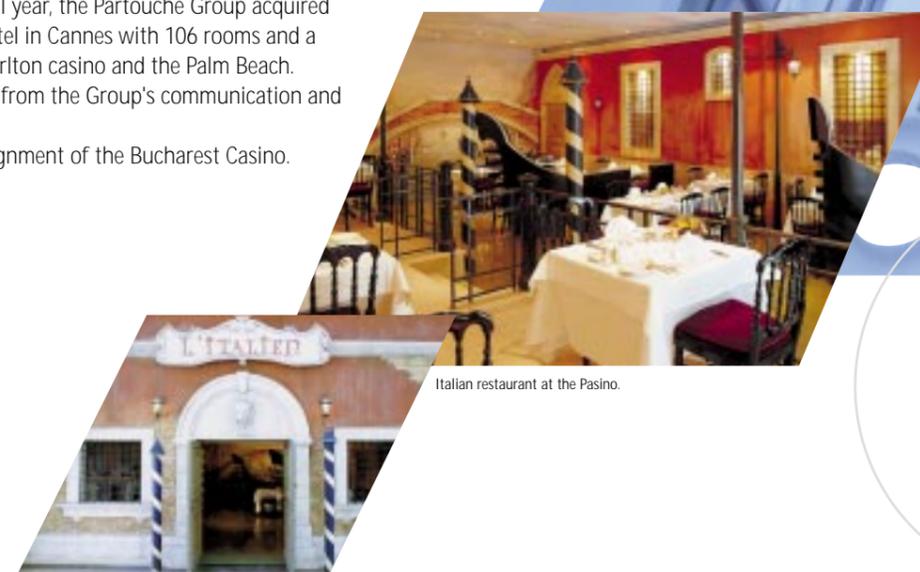
Opening on 1 July of the Hilton in Lyons' Cité Internationale, this was to be home to the new casino. Abroad, the San Roque Grand Casino in Andalusia was inaugurated and the Hilton Bucharest's Casino was created and inaugurated by the Partouche Group on 23 October. In October, the Partouche Group acquired a majority stake in Société Française de Casinos, which operates four casinos, three located in Auvergne and one on the Narbonne Coast.

2000

In February, acquisition of the Lydia in Port Barcarès, Perpignan Beach. In April, opening of the first casino in a major French city by the Mayor of Lyons, Mr. Raymond Barre. In Aix-en-Provence, take-over of the Hotel Aquabella and then of the town's spa.

2001

In July, "Le Pharaon" the casino of Lyons' Cité International is granted the authorisation to operate 200 slot machines. Opening of the Aix-en-Provence Pasino, the same month, an establishment of the very successful new generation casinos. In August, following the controversy to move the Carlton Casino to the Palm Beach and after an eight days break in operations, the casino resumed a normal activity. At the end of the fiscal year, the Partouche Group acquired the Savoy, a 4-star hotel in Cannes with 106 rooms and a perfect ideal to the Carlton casino and the Palm Beach. The Savoy will benefit from the Group's communication and marketing strategy. November 2001 : Assignment of the Bucharest Casino.



Italian restaurant at the Pasino.



PROFESSION - FRAMEWORK

THE PROFESSION

France authorises the following games:

TABLE GAMES

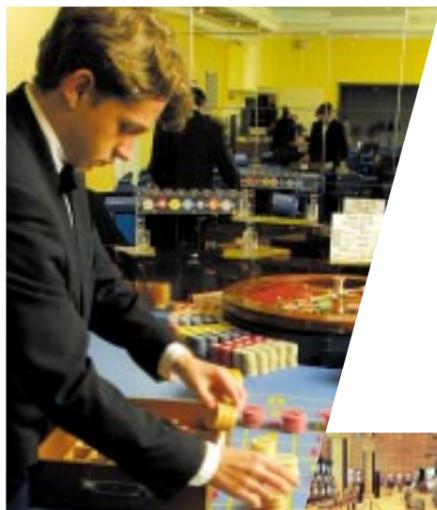
Boule, French roulette, English and American roulette. Casino Stud Poker, Black Jack, Baccarat - Chemin de Fer and Trente et Quarante (cards). Craps (dice).

AUTOMATIC GAMES

Slot machines are legally defined as automatic machines incorporating games of chance and coming within the categories known as "roll machines" and "video games". The Group has a large number of slot machines (2499 as at 31 October 2001 and 2584 as at 31st January 2002).

OTHER ACTIVITIES

In addition to its gaming activities, the Partouche Group produces the balance of its turnover from the hotel and restaurant trade, a complementary activity to its core business and an important way of offering its clientele the very best in accommodation and hospitality.



Slot machines at the Pasino.

STRICT REGULATORY FRAMEWORK

According to French Law, gaming activity is strictly prohibited and can result in prosecution under the terms set out in Article 410 of the Penal Code. The Act of 15 June 1907 created an exception to this prohibition, allowing casinos to be opened in seaside and health resorts and thermal spas.

The Act 88-13 of 5 January 1988 extends this authorisation to include major city areas with a population of more than 500 000, and having specific tourist and cultural activities. Licences to open casinos are granted by the Ministry of the Interior with due notice from the Local Council of the area in which the activity is to be carried out, following an investigation and on the basis of a list of specifications drawn up by the municipality. The latter then issues a business concession to the enterprise once the tender procedure, as introduced by the Act 93-122 of 29 January 1993 (the so-called Sapin Act), has been complied with.

A National Gaming Board made up of senior civil servants (14) and Members of Parliament (5) is responsible for examining gaming licence applications and renewals.

An Order issued by the Ministry of the Interior fixes the period of the concession, the authorised games and the operating conditions for the casino.

A licence may be cancelled by the Ministry of the Interior in the event of failure to comply with the specifications or provisions of the list of specifications and of the Order.

Casinos that have obtained the necessary licence must operate under a manager and executive committee, personally responsible, for ensuring that the regulations and provisions in the list of specifications are complied with.

The manager responsible and members of the executive committee must be approved beforehand by the Ministry of the Interior. If this approval is withdrawn, they can no longer continue their activities.

Approval is also required for hiring all gaming employees. Each game is subject to a very detailed set of regulations.

Salle de spectacle du Pasino.



Salle d'exposition du Pasino.

Tax levies

The progressive tax levied on gross gaming revenue in casinos is as follows:

GROSS GAMING REVENUE

10 %	up to	58 000 €		
15 %	from	58 001 €	to	114 000 €
25 %	from	114 001 €	to	338 000 €
35 %	from	338 001 €	to	629 000 €
45 %	from	629 001 €	to	1 048 000 €
55 %	from	1 048 001 €	to	3 144 000 €
60 %	from	3 144 001 €	to	5 240 000 €
65 %	from	5 240 001 €	to	7 337 000 €
70 %	from	7 337 001 €	to	9 443 000 €
80 %	above	9 443 000 €		

This progressive scale applies after the deduction of 25% on the gaming revenue.

Local authorities levy a maximum rate of 15% on the same tax base as the State levy. The combined State and local authority levies cannot exceed 80%, with the local authority' share being offset against the State's share, when necessary.

In addition, there is a fixed levy of 0,5% on the very first franc generated on table games and of 2% on slot machine income. Slot machines have a statutory theoretical pay-out rate of at least 85%.

In the case of slot machines, casinos benefit from a "slide" phenomenon. In fact the State levy is calculated on the basis of the theoretical amount that the machines are designed to redistribute. Actually the real generated return is slightly lower than the theoretical amount, given that the players do not bet the maximum number of coins on each go (a parameter taken into account when calculating the theoretical redistribution rate).

The difference between the theoretical and "real" amounts is called "slide", an amount not subject to the levy and therefore entirely earned by the casino but liable to company income tax. Casino games which constitutes Groupe Partouche S.A.'s core business are not subject to value added tax (VAT).

In 1996, a 3% CRDS (Contribution to the Repayment of Social Debt) tax was levied on gross gaming revenue, followed, in 1997, by the 3,40% CSG (General Social Contribution) of slot machines gross gaming income. Since January 1998, the CSG has been increased to 7,5% and is now calculated on a reduced basis of 68% of slot machines gross gaming revenue.

KEY EVENTS

The first French Casino is opened in Aix-en-Provence

In few weeks, this extraordinary establishment gained an important cultural, artistic and marketing position in the area of Aix-Marseilles.



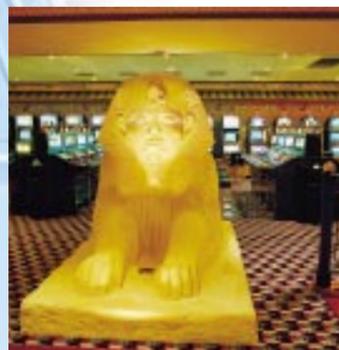
Contrexeville and Vittel

Recently, the CONTREXEVILLE casino and the two spas of VITTEL & CONTREXEVILLE, capital cities of vitality and slimness, have joined the Group.



Developing Forges-les-Eaux

In November 2001, the number of slot machines at Forges Casino, the indisputably successful establishment, increased by 30 units.



200 slot machines for "Le Pharaon" in Lyons

"Le Pharaon" welcomes its 200 slots machines and the start of a new life.

Opening of the Villa in Le Havre

"La Villa" one of Le Havre's high standard gastronomic restaurants, evokes the great era of the Blue Ribbon.



Acquisition of the Savoy Hotel in Cannes

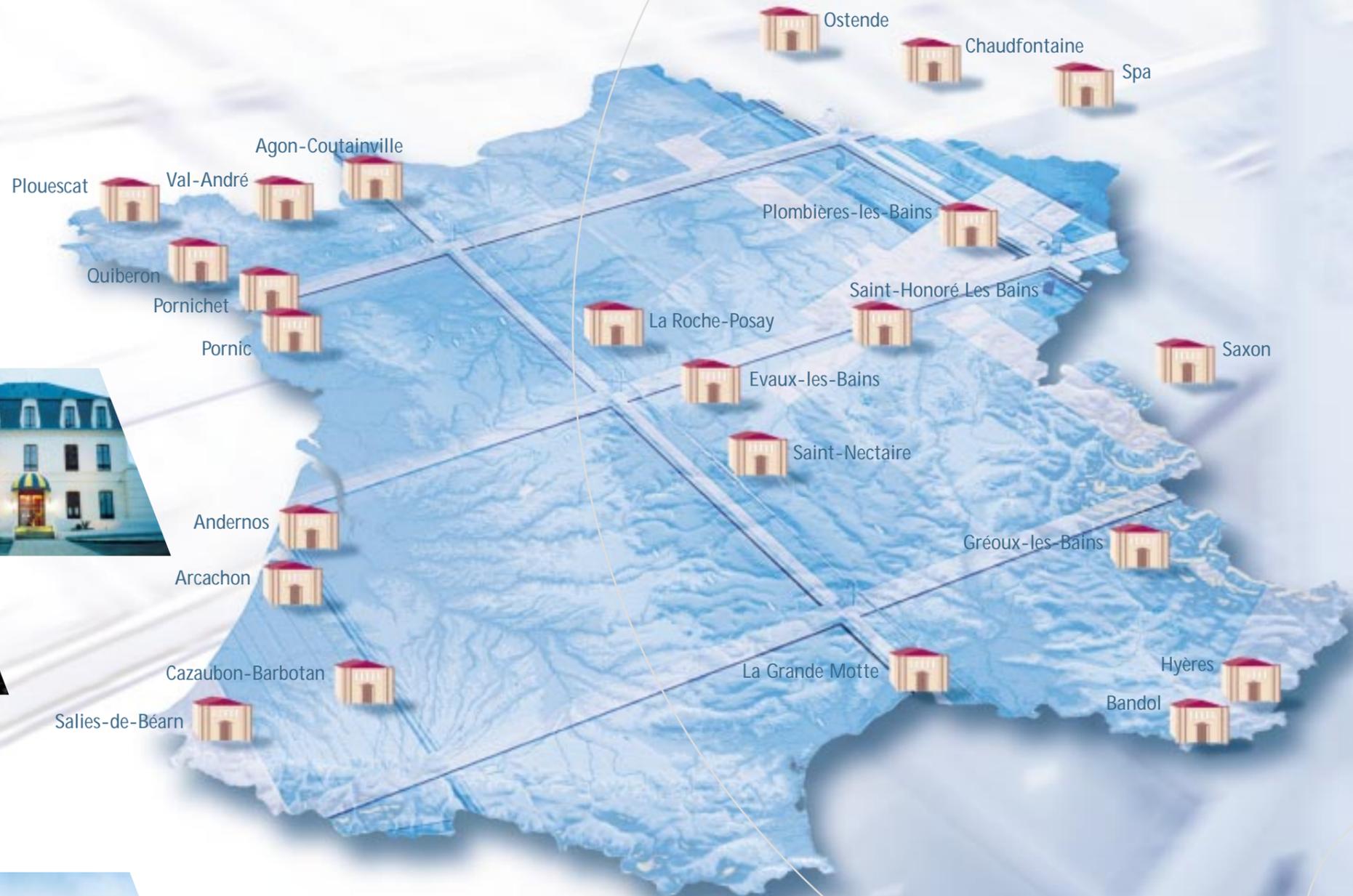
The Group bought out the SAVOY HOTEL in Cannes. Immediately neighbouring the Croisette, this luxury hotel is the ideal compelling fit to the Carlton Casino and the Palm Beach.



Public Cash Offer on the Compagnie Européenne de Casinos

Following a memorable battle on the stock market, the Partouche Group strengthened its leading position in France by taking control of the Compagnie Européenne de Casinos.

Today, the Partouche Group manages 52 casinos.



Val-André



Pornichet



Evaux-les-Bains



Saint-Nectaire



Arcachon



Gréoux-les-Bains



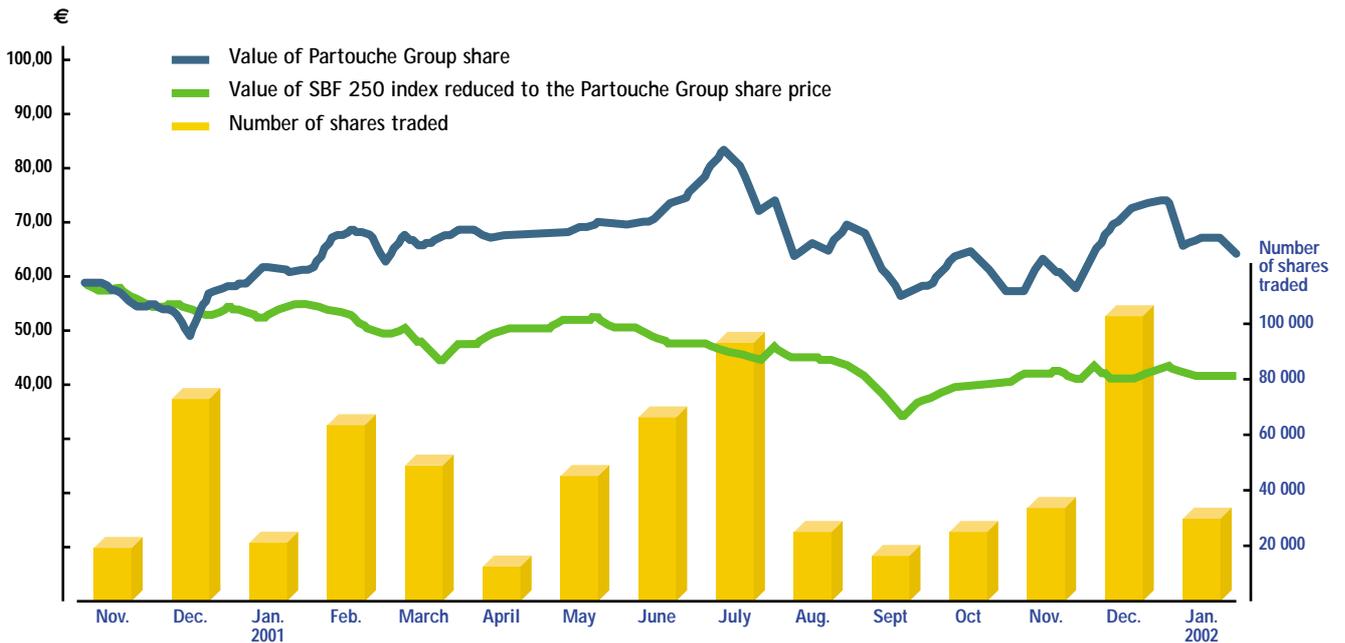
Bandol



Hyères

STOCK MARKET PERFORMANCE

MOVEMENTS IN PARTOUCHE GROUP SHARE PRICE



Source: Euronext (www.bourse-de-paris.fr).

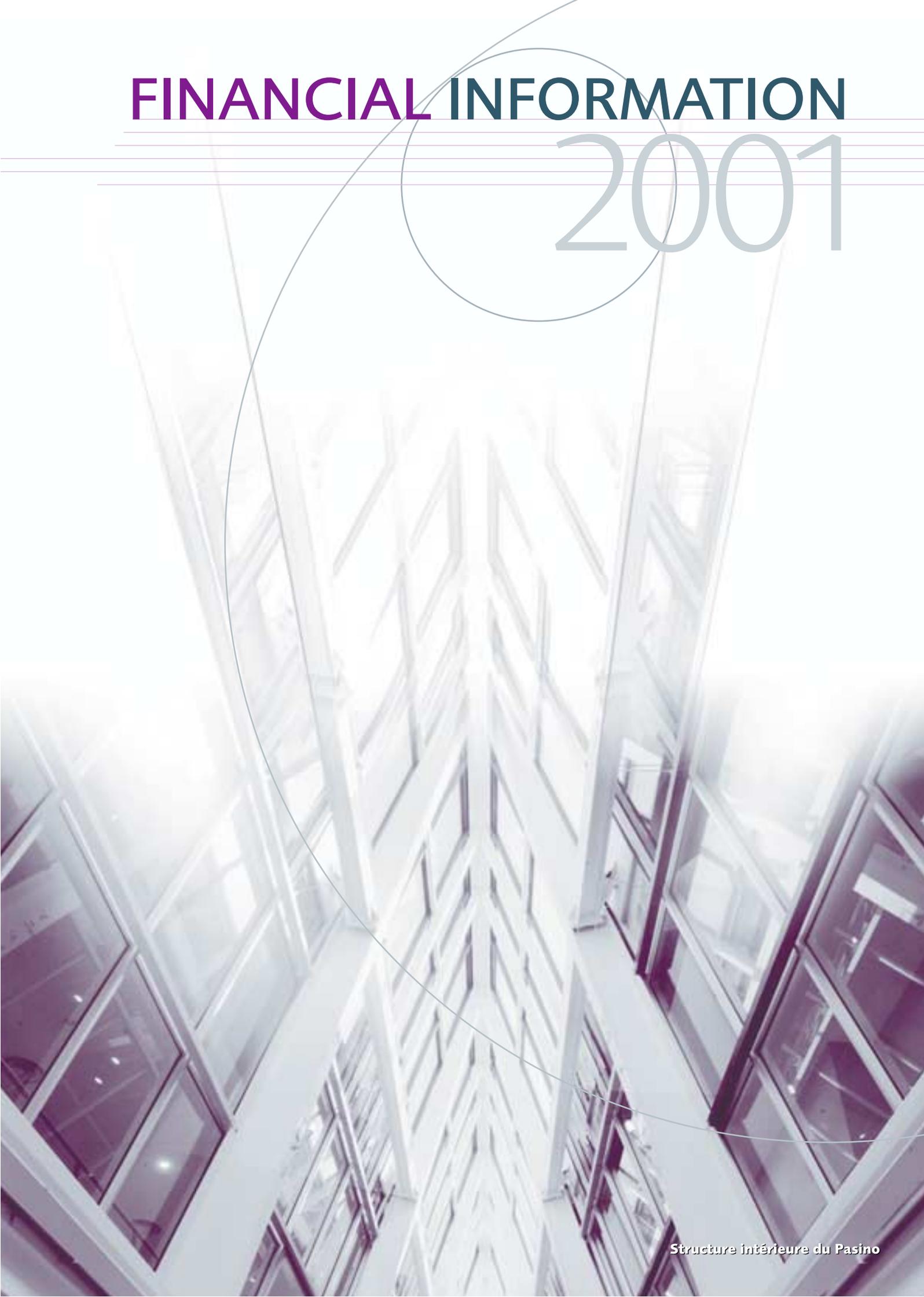
FINANCIAL INFORMATION

	1999	2000	2001
Price as at 31/10 (in €)	65,00	58,50	57,90
Number of shares as at 31/10	6 156 774	6 156 774	6 156 774
Market capitalisation (in €)	400 190 310	360 171 279	356 477 215
Earnings per share (in €)	4,09	4,68	5,57
Net dividend (in €)	1,68	1,68	0,80*
Total payout (in million €)	10,32	10,32	4,93*
Payout ratio (%)	41,00 %	35,90 %	14,36 %
Net stock yield (%)	2,58 %	2,87 %	1,38 %

* Proposed.

FINANCIAL INFORMATION

2001



REPORT BY THE EXECUTIVE BOARD TO THE ANNUAL GENERAL MEETINGS

HELD ON 9 APRIL 2002 AT 10.00 A.M.

Dear Sir, Madam,

In compliance with the law and the Articles of Association, we have convened you, firstly to the Ordinary General Meeting in order to report to you on the position and activities of our company and of the Group during the year ended 31 October 2001 and to ask that you adopt the ordinary resolutions relating to the approval of the financial statements of the holding company and the financial consolidated statements for the said year, to the appropriation of the income of the financial accounts of the holding company, earnings, to the approval of the regulated agreements and to the setting-up of a procedure enabling the company to purchase its own shares pursuant to the provisions of Article L. 225-209 of the Commercial Code, to the directors' fees allowance to be distributed to the members of the Supervisory Board as well as the renewal of their term of office.

We also have convened you to the Extraordinary General Meeting in order to submit to you the resolutions related to the so-called "global delegation" system resulting from the provisions of Article L. 225-129-III of the Commercial Code, and the sixteenth resolution related to the principle of the increase in the share capital, meant for employees in pursuance of the provisions of Articles L. 225-129-VII and L. 225-138 of the Commercial Code and of Article L. 443-5 of the Employment Law.

I. REPORT OF THE EXECUTIVE BOARD TO THE ORDINARY GENERAL MEETING

1.1. GROUP ACTIVITIES

Business situation and trends in the Group during the fiscal year ended 31st October 2001

The turnover of the Partouche Group reached 290,5 million Euro (M€) up by 12,3% compared to the previous fiscal year. This growth is particularly satisfactory since it has almost been achieved at a constant perimeter. Indeed, the companies newly included in the Group's juridical perimeter, mainly the restaurant La Villa of Le Havre and the balneotherapy centre of Aix-en-Provence, had a marginal impact.

GAMING IN FRANCE

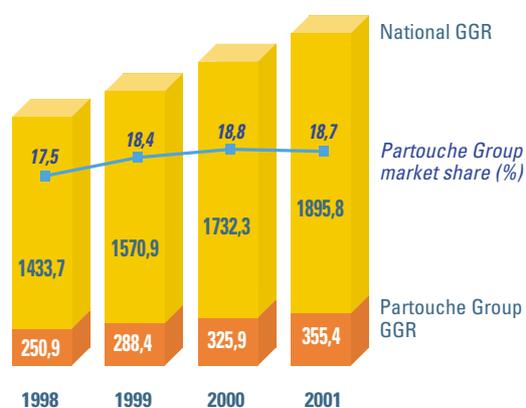
The gaming sector in France, that accounts today 170 establishments i.e. 4 additional units, continues to witness a growth up by approximately 10%: the theoretical Gross Gaming Revenue (GGR) reached 1.895,8 M€ (+9,4%) and the real GGR reached 2.278,3 M€ (+10,8%).

In this environment, the Partouche Group casinos yielded a theoretical GGR of 355,4 M€ up by 9,1% and a real GGR of 430,4 M€ (+11,5%). This enabled the Group to maintain its market share at 18,7%.

The share of traditional games was down to 7,3% of the whole, compared to the 9,2% for the previous fiscal year, with a GGR of 31,56 M€ against 35,35 M€ in year 2000: this reduction is mainly due to the development of the Carlton Cannes issue and to the exceptional and temporary shut down of the traditional games room at the Aix-en-Provence Casino as part of its moving.

Gross Gaming Revenue

in million of Euro



The slot machines hit a real GGR of 398,85 M€ (+13,7%). The total number of slot machines operated in France increased by 240 units, 20 at Saint-Amand casino, 20 at Le Lion Blanc and 200 at "Le Pharaon", that is the first and important allowance in Lyons casino. The average daily GGR per machine, henceforth reaches 466,95 € (+6,8%).

The breakdown of the total GGR for slot machines is 323,85 M€ for theoretical GGR and 75 M€ for slide. The latter has increased during year 2001 and represents 18,8% of the total real GGR.

This progression noted in year 2001 is due to the good results of the casinos existing at the beginning of the fiscal year, i.e. an organic growth above 10%, but it has also benefit of the consolidation for a complete fiscal year of the Chatel Guyon casino and more particularly of the 200 slot machines set up in Lyons on July 2001.

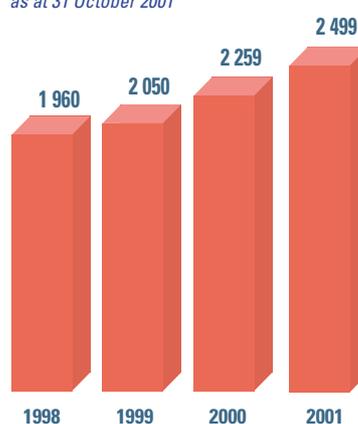
Number of casinos in operation

as at 31 October 2001



Number of slot machines within the Group in France

as at 31 October 2001



GAMING ABROAD

The number of establishments operated abroad remained the same in 2001. Traditional games continue to predominate since they represent 2/3 of the total GGR.

The difficulties encountered by the last two acquisitions, i.e. the Bucharest and San Roque casinos, have become more pronounced which explains the decrease in the total GGR achieved abroad: 12,27 M€ in year 2001 compared to the 13,68 M€ in year 2000. The other establishments of Agadir, Knokke and Jerba meet no particular development.

LEVIES

Total levies operated by the State and local authorities represent in France, a taxation of 229,88 M€ that equals 53,4% of GGR, i.e. a lower contribution than the previous fiscal year, due to the increase of the above mentioned "slide" phenomenon. The figures in respect of the establishments abroad are 3,64 M€ and 29,7% respectively. The net gaming revenue reaches, after levies, for the whole group: 209,21 M€ (+ 12,1%).

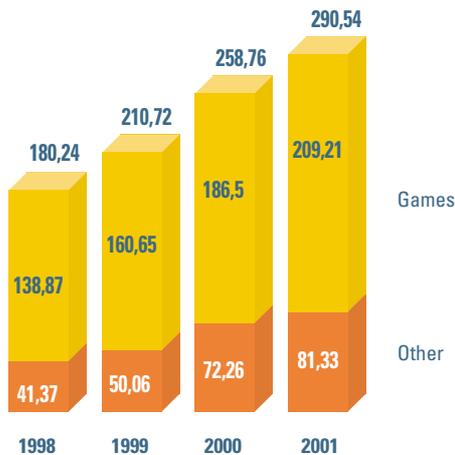
**REPORT BY THE EXECUTIVE BOARD
TO THE ANNUAL GENERAL MEETINGS
HELD ON 9 APRIL 2002 AT 10.00 A.M.**

TURNOVER

The other activities, mainly restaurants and hotels, have been very satisfactory with a total turnover of 81,33 M€, up by 12,6%. This growth, similar to the games, does not change the breakdown of the turnover, whereas the share of activities other than gaming, only represent 28% of the total. This growth is particularly due to the Hilton and Meridien hotels in Lyons as well as the Garden Beach in Juan-les-Pins.

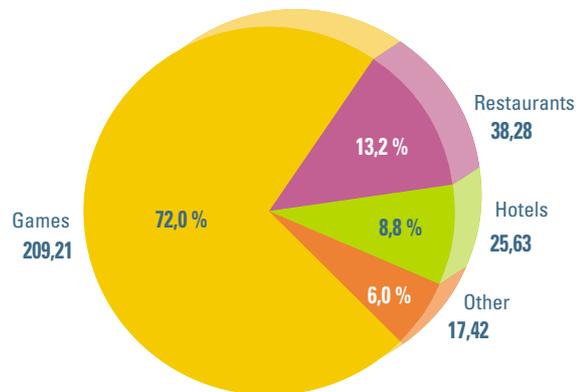
Consolidated net turnover

in million of Euro



Consolidated turnover by sphere of activity

in million of Euro

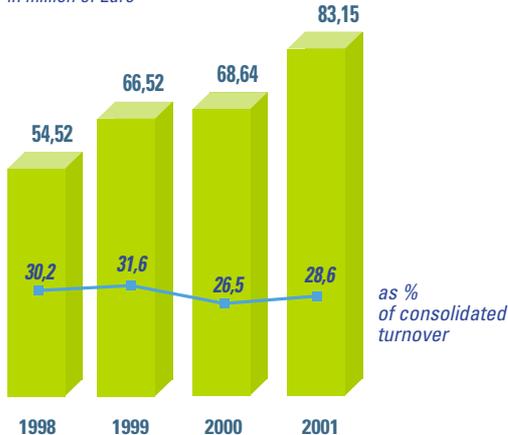


CONSOLIDATED NET INCOME

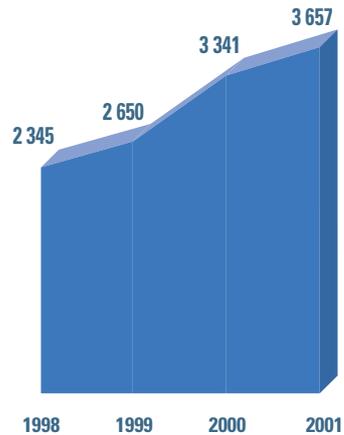
Thanks to a good control of the external contributions and employees costs, the gross operating margin amounted to 109,58 M€ up by 20,6% and the operating income reached 83,15 M€ up by 21,1%. Thus the ratio of operating margin on turnover amounted to 28,6% compared with 26,5% for the 2000 fiscal year.

Operating margin

in million of Euro



Group workforce



It is important to mention that this clear adjustment in the margins is firstly due to the common result of the establishments, mainly casinos and hotels. Beyond this, Lyons casino equipped with its slot machines since July 2001, played an important role, as well as the neighbouring Hilton hotel at the Cité Internationale: thus one of the identified sources of deterioration in the operating profitability during the previous fiscal year, is plainly disappearing.

No positive development was noticed as for the division of the casinos abroad and the Société Française de Casinos division.

The net financial loss for 2001 fiscal year is of 7,6 M€ compared with 6,4 M€ for year 2000. The growth of the cost of borrowings during the fiscal year, had an important impact on this income.

The net income before tax reaches 75,6 M€ up by 21,5%.

The extraordinary income neighbours zero due to the absence of any significant operation during the 2001 fiscal year. Goodwill depreciation charges and employees profit-sharing saw no perceptible development.

The net income for all the consolidated companies reached 37,42 M€ compared with 32,28 M€ for the previous fiscal year. The net income Group's share increased by 19% and amounted to 34,31 M€.

INVESTMENT AND FINANCING

The consolidated cash flow sheet enclosed with the consolidated financial statement, gives a detailed breakdown of the major financial flows during the fiscal year.

The operating cash flow reaches 62,12 M€ up by 18,5% compared with the 1999-2000 fiscal year.

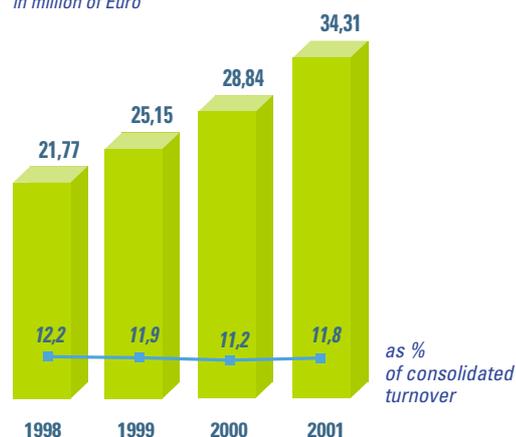
This progression is mainly due for 5,14 M€ to the growth in the consolidated net income and also to the increase in the depreciation provisions resulting from recently achieved investments.

The working capital requirements decreased by 8 M€. This development results, for a good part, from the progress in the tax and social debts.

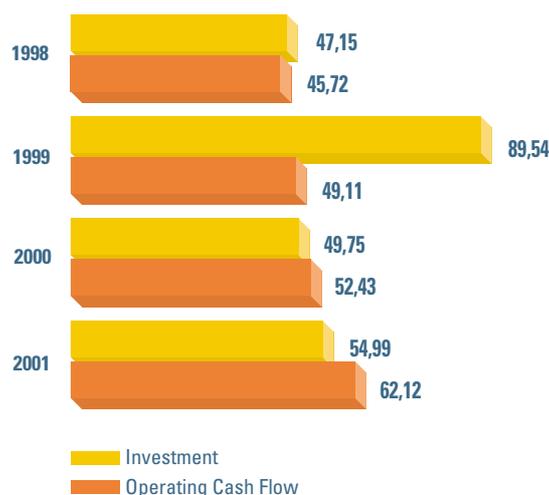
Thus, the positive variation in the cash flow derived from operating business is of 70,12 M€.

As for Investments, they produce a cash flow requirement of 54,99 M€. Current investments reaching 42,50 M€, are mainly formed by the construction and refurbishment of the Aix-en-Provence Pasino.

Net consolidated income - Group's share
in million of Euro



Investment and Operating Cash Flow
in million of Euro



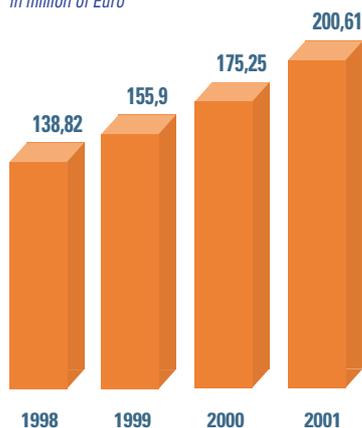
REPORT BY THE EXECUTIVE BOARD TO THE ANNUAL GENERAL MEETINGS HELD ON 9 APRIL 2002 AT 10.00 A.M.

The interests buy-outs achieved during the fiscal year are mainly connected for 12,35 M€ with the company that owns the Savoy hotel in Cannes. This establishment has not been consolidated at 31st October 2001.

Loans and debts have increased by 4,71 M€ mainly due to the acquisition of the Savoy hotel.

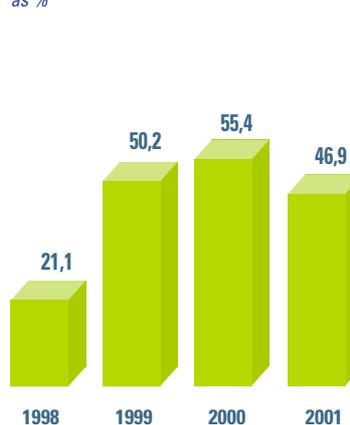
Shareholders' equity

in million of Euro



Net debt of shareholders' equity

as %



Following the last general meeting, dividends distributed by the Partouche Group amounted to 10,32 M€. Moreover, dividends were distributed to the minority shareholders of the consolidated subsidiaries, for 1,53 M€.

These various developments lead to an increase in the cash flow, for 7,88 M€, the majority being invested on the short term.

Outlook

The amendment of the tax calculation basis on GGR, which would possibly be applied during 2002 fiscal year, allows the Partouche Group to anticipate an increase in its turnover of approximately 10%, as at 1st November 2001.

The Partouche Group is working on several projects that would ensure its development for the next fiscal years.

In France, the group has good hope to be granted the authorisation to operate the Alvignac casino.

Difficulties due to the narrowness of the estate thwarted us in our project at La Trinité sur Mer. This project is also meeting the competition of the neighbouring Carnac casino. We will file a new request for a licence, which will enable us to determine the actual potentiality of this issue.

We still have full hope to convince the supervising authorities of the validity of transferring the Carlton casino to the Palm Beach premises.

Important issues are being developed by the relevant local authorities. They concern Le Havre that started the process for selecting an operator for the creation of a casino, and the city of Lille whose Mayor is interested in such a creation. The Partouche Group will be an active party in both projects.

Abroad, the Partouche Group has adopted cautious politics, giving its priority to secured project mainly in respect of the expected cost-effectiveness. We will be candidates for the Brussels casino as soon as the government will select the host town.

Key event occurring since the end of the fiscal year

At the beginning of the fiscal year, we sold for 1,5 M US\$, the Bucharest casino, the results of which did not meet our expectations. Simultaneously, we acquired from the Perrier Vittel Group, the Contrexeville casino together with the buildings and assets of the spas and hotels companies of Vittel and Contrexeville.

The Partouche Group licensed the "Partouche" trademark for online casino operations.

Following two acquisitions made on the 28th December 2001 and 28th January 2002, the Partouche Group held a 36,8% stake in Compagnie Européenne de Casinos. On the latter date, the Partouche Group also launched a public cash offer on the outstanding share capital at 59 € per share and 144,68 € per convertible bond (see the Information Memorandum dated 8/2/02 approved by the COB under reference number 02-124).

On the 26th February 2002, the Partouche Group acquired 696 561 shares at 66,5 € per share and 117 482 convertible bonds at 164 € per convertible bond. As provided by Article 5-2-11 of the General Regulations of the Conseil des Marchés Financiers, the Partouche Group had to automatically increase its offer on the rest of the capital that gives access to the Compagnie Européenne de Casinos.

Thus, on the 26th February 2002, the Partouche Group holds an aggregate of 54,3% of the Compagnie Européenne de Casinos' share capital (56,4% on a fully diluted basis). This issue is still in progress at the date of this report.

COMMUNICATION AGENDA FOR 2002 FISCAL YEAR

Turnover 1st quarter:	10th week
Turnover 2nd quarter:	24th week
Figures for 1st half-year:	29th week
Turnover 3rd quarter:	37th week
Turnover 4th quarter:	50th week
Figures for the fiscal year:	6th week of year 2003

1.2. SUBSIDIARIES

Subsidiaries activities

The table attached to the balance sheet gives information about the activities and the business results of all our subsidiaries and of the companies under control.

We top up this information with the group's organisation chart (see the first pages of this report) and with the following summary of the progress, during the fiscal year ended 31st October 2001, in the activities of those of our subsidiaries holders of a casino operating licence.

All references here below in respect of the casinos national rankings come from the classification drawn up by the Ministry of the Interior.

SA SOCIÉTÉ DU CASINO DE SAINT-AMAND – (SAINT-AMAND-LES-EAUX)

The development of the Saint-Amand casino continues to be very satisfactory with an increase in its turnover of 14,5%.

The renewal process of its public concession will end during the fiscal year starting 1st November 2001. If our subsidiary is selected, the Saint-Amand-les-Eaux casino will be moved before year 2003, to a new site offering better conditions in welcoming the clientele, which will allow an important development.

SA LE TOUQUET'S – (CALAIS)

The Calais casino is an important leisure centre in the area. All its slot machines have been refitted in order to meet the clientele requirements.

SA NUMA – (BOULOGNE-SUR-MER)

The gross gaming revenue of our subsidiary at Boulogne-sur-Mer saw a growth of 11,9%.

The new table games room was inaugurated in February 2002 with black-jack, poker, English roulette and a new restaurant.

SA CASINO DU TOUQUET – (LE TOUQUET PARIS PLAGE)

Slot machines are in constant progress up by 13% compared to the previous fiscal year. The high-quality restaurant continues to attract an important clientele. The theme bar is a compelling fit with its varied activities.

The development of tourism at Le Touquet benefits from the extension of the highway A16.

SA JEAN METZ - (BERCK-SUR-MER)

Slot machines saw a slight increase of 6% during the fiscal year, mainly due to the saturation in the number of machines that justifies the request for additional units.

In November 2001, the Boule 2000 replaced the traditional Boule tables.

The turnover of the gastronomic restaurant "LA VERRIERE" increased by 16% and the piano-bar "LE LUNAS' BAR" proved to be successful with its varied activities.

SA SOCIÉTÉ ANONYME DU CASINO ET DES BAINS DE MER DE DIEPPE – (DIEPPE)

The Dieppe casino recorded a satisfactory progress in its GGR, up by 9% for the fiscal year, but also in its other activities that account for more than 15% of the total turnover.



**REPORT BY THE EXECUTIVE BOARD
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HELD ON 9 APRIL 2002 AT 10.00 A.M.**

The bar, restaurant and showroom record a sharp rise of more than 50%, a favourable result of the refurbishment of the establishment.

The hotel occupancy rate exceeded 65% thanks mainly to the renovation of its 26 rooms and to the success of its new "discover" formula (hotel and diner at the table games restaurant).

SA FORGES THERMAL - (FORGES-LES-EAUX)

The casino benefits for a complete fiscal year, from the 30 additional slot machines set up in July 2000. It rose from the 7th to the 5th rank amongst the French casinos.

The opening of hotel rooms at the Saint-Saens Golf increased its clientele, more particularly the English one. La Folie du Bois des Fontaines, the 4 stars hotel, saw an increase in its turnover of 38% and the occupancy rate of the Club Med rose by 4,7 points reaching 65,5%.

Thus, the Forges-les-Eaux resort fully meets the requirements of a more and more demanding clientele as to quality and services.

SA CASINO DE CABOURG – (CABOURG)

This establishment continues its sharp progress, rising by one rank in the national classification. Its turnover increased by 8,4% that allows, for the first time, a significant profit.

A new request for 50 additional slot machines was submitted in order to reach a total of 100 units, which would correspond to this casino's potential.

The traditional games sector is in constant progress attracting more important players.

The Cabourg casino is pursuing its politics: hospitality, prestigious and high quality events (the Romantic Film Festival, Epona, ADAMI Convention).

**SA GRAND CASINO DE LA TRINITÉ-SUR-MER –
(LA TRINITÉ-SUR-MER)**

This project is still a topical issue. It consists in creating in the capital of Sailing, a casino ideally located on the harbour, with an associated hotel of good quality, necessary to the development of tourism in this sea resort. The first request that was submitted for the operating licence has been refused.

A new request was just filed with the Ministry of The Interior.

SA GRAND CASINO DE LYON– (LYON)

The Grand Casino of Lyon "Le Pharaon", inaugurated in April 2000, located in the Hilton Hotel at the Cité Internationale of Lyon, saw a sharp progress in its turnover since the set up of the 200 slot machines in July 2001. The restaurant "La Vallée des Rois" opened at the same time is recording an important activity.

This establishment plays an active part in the events of the city of Lyons, mainly by sponsoring several local associations such as "Les Nuits de Fourvière" and by organising international stars shows.

SA SATHÉL - (LA TOUR DE SALVAGNY)

The Lyon Vert, La Tour de Salvagny casino, has retained its premier position among the French casinos. The top quality of its gastronomic restaurant La Rotonde and its talented chef Philippe Gauvreau continue to attract new clientele.

Apart from the numerous and important artistic and cultural events, the Lyon Vert is a sponsoring partner in the annual Rally of Charbonnières.

SA LE LION BLANC - (SAINT-GALMIER)

The turnover of the Lion Blanc casino recorded a significant increase (+26%) thanks to both slot machines and table games. Its restaurant "La Pailote" confirmed its reputation of the best restaurant in the area.

Important events took place during the fiscal year, the major one being the Beach Soccer French tournament.

With the 20 additional slot machines, the casino now operates a total of 69 units.

SA CASINO DU GRAND CAFÉ – (VICHY)

The turnover of the gaming sector is up by 13% and the restaurant has increased its turnover by 6,82% i.e. a global growth of 11,54%.

Such a progress results from investments and advertising campaign. The latter allowed a refurbishment of the casino's image.

The contract conditions ends in March 2002 and will require during the year 2002, the procedure deriving from the SAPIN Act.

SA CASINOS DE VICHY – (VICHY)

In Mai 2002, as part of the renewal of the concession agreement for fifteen years, the casino will have to be moved to a new mall in the centre of Vichy, the Quatre Chemins centre that will host besides the games, a big multiplex showroom, a restaurant and movies theatres.

On this occasion, an extension request was submitted aiming at increasing the number of slot machines from 49 to 70 units.

SA SOCIÉTÉ DU CASINO MUNICIPAL DE ROYAT – (ROYAT)

The concession of the casino of Royat has been renewed with our subsidiary until July 2016. A request for additional slot machines that presently total 120 units will be submitted in order to meet the clientele requirements.

Thanks to the showroom and the newly renovated dancing room, the Royat casino successfully continues its marketing development.

SA SOCIÉTÉ DU CASINO MUNICIPAL D'AIX-THERMAL – (AIX-EN-PROVENCE)

During the 2000/2001 fiscal year, the major event was undeniably moving the casino from the old premises to the new Pasino, on the 20th July 2001. The opening of this new and very important leisure centre created more than one hundred jobs spread all over the establishment's various departments but more particularly the kitchens and the restaurants, as a result of the opening of four theme restaurants, a coffee shop and the banquets room, that did not exist before. The huge showroom and exhibition room as well as the mall with its video games offer an interesting mix, that strengthens the difference between the Pasino and the usual gaming establishments in France.

The results are very encouraging and have allowed the renewal of the clientele of the table games and the slot machines rooms, which leads to an increased revenue.

Considering the important increase of customers in larger premises, a request for 100 additional slot machines will be submitted.

SA SOCIÉTÉ DES BRASSERIES ET CASINOS LES FLOTS BLEUS – (LA CIOTAT)

This establishment that operates only 25 slot machines requested additional 24 in order to reach a total of 49 units. The authorisation to operate traditional games was granted in

October 2001 and will be effective during year 2002. English roulette, black-jack and stud poker will be added to the Boule 2000. This entirely refurbished casino, by the seaside, with its events, represents a real development instrument of tourism at La Ciotat.

SA CASINO DE PALAVAS – (PALAVAS-LES-FLOTS)

The Palavas casino saw an important increase of its turnover (+19%) strengthening its successful reputation.

In order to improve its services, important refurbishment works were achieved in the kitchens during this fiscal year. This will allow the opening of a new restaurant during the first quarter of year 2002.

SA EDEN BEACH CASINO – (JUAN-LES-PINS)

The Eden Beach casino has become the group's most important establishment in this area thanks to the growth in its GGR +27,4% for table games and +8,88% for slot machines. Synergies with the neighbouring Meridien Garden Beach hotel materialised with the creation of interesting holiday's plans for VIPs that explains this growth.

The growing reputation of the restaurant of the casino leads to an increase of more than 40% in its turnover.

The outlook and marketing plan will allow it to maintain its important position on the French Riviera.

SA GRAND CASINO DE BEAULIEU – (BEAULIEU-SUR-MER)

This prestigious establishment continues to climb up to the top of the French casinos, from the 83rd rank to the 79th: its GGR for this fiscal year is up by 26,18%.

In order to meet with the more and more numerous transalpine clientele, the target of this casino, a request for additional slot machines has been submitted in December 2001 in order to reach 100 units: such an authorisation will allow the return of the Beaulieu Casino among the most important establishments on the French Riviera.

CARLTON CASINO CLUB LCLP (FRANCE) SA & CIE – (CANNES)

While waiting for the authorisation to transfer the games to the Palm Beach, the transition period in the fiscal year 2000-2001 has consolidated the establishment's positioning. In an exceptionally adverse international context, we emphasised to win our clientele's loyalty by improving our services.



**REPORT BY THE EXECUTIVE BOARD
TO THE ANNUAL GENERAL MEETINGS
HELD ON 9 APRIL 2002 AT 10.00 A.M.**

LE LYDIA À PORT-BARCARES

We are still waiting for the authorisation to operate games in this establishment and have full hope in reaching our aim.

SAS SOCIÉTÉ FRANÇAISE DE CASINOS – SFC

The holding subsidiary of GROUPE PARTOUCHE S.A., the SOCIÉTÉ FRANÇAISE DE CASINOS controls the Gruissan, Châtel-Guyon, Mont-Dore, La Bourboule and Agadir casinos.

The current year saw the finalisation of important agreements with the Municipality of Châtel-Guyon in order to improve the spa activities in this town on the one hand, and to juridical restructuring of the Châtel-Guyon division, after the withdraw of the Moliflor Group from its share capital on the other hand. Moreover, the acquisition of the building by the company operating the casino made it more independent.

GRISSAN CASINO

The current year has seen the reinforcement of the other activities (restaurant opened at noon and in the evenings, 365 days per year, creation of a lounge-bar, opening in year 2000 of a 3-stars hotel with 50 rooms). This led to an increase of more than 33% in the turnover of these sectors.

In the same time, slots machines recorded an increase of 8,5%.

The concession agreement has been renewed with our company and the specifications contract that includes the traditional games, will be signed during February 2002.

CASINO DE LA BOURBOULE

The major event during the current fiscal year was the acquisition and renovation of the restaurant LE BORVO, adjacent to the casino, thus satisfying the requirements of the supervising authorities.

Despite this investment and thanks to the increase in GGR +11%, the decrease of the income for this fiscal year was the slightest possible.

The turnover will continue its progress, as a result of the new section of the "Bordeaux-Clermont Ferrand" highway and the inauguration of the Vulcania Park.

MONT-DORE CASINO

Thanks to the important investments achieved during the fiscal year 2000, the GGR increased by 21% which led to a balanced budget.

The development of the resort, with a new spa operator, gives us hope in the improvement of the number of players and a significant increase in the average GGR per day/machine.

CHÂTEL-GUYON CASINO

The fiscal year was marked by the global restructuring of the casino and the acquisition of its premises.

During the current fiscal year, the establishment should benefit from the theme "Châtel-Guyon: the open door to Vulcania".

AGADIR CASINO – (MOROCCO)

This has been a difficult year for this establishment that recorded important losses mainly due to a hold-up and a heavily priced gaming licence.

KNOKKE-LE-ZOUTE – (BELGIUM)

The royal Act of 7 May 1999 in respect of games would be applied during May 2002.

We expect that the slots machines will be operated as from July 2002, which will lead to balance the income of this establishment.

Last, the Knokke casino continues its successful development, thanks to its prestigious and high quality events.

SA LE GRAND CASINO DE DJERBA – (TUNISIA)

This casino has recorded the expected profit for the fiscal year. However, the 11th of September events had a direct impact on the Jerba Pasino, the tourists avoiding the Maghreb. Nevertheless, with the repercussions of these events fading away, this high standard leisure centre on the Island of Jerba should come out with good results during the forthcoming season.

SA CASINO NUEVO SAN ROQUE – (SPAIN)

Important works are being achieved in the area of the San Roque casino and the highway's construction scheduled to end in June 2002 will allow an increase in its clientele.

The operating income is expected to be improved during the next fiscal year considering the exceptional quality of the services provided by this establishment.

GROUPE PARTOUCHE ROMANIA SRL – BUCHAREST – (ROMANIA)

As already announced, we have sold the Bucharest casino on the 1 November 2001. This puts an end to a highly unprofitable establishment.

Acquisitions of interests or take-overs

1. DURING THE FISCAL YEAR ENDED 31 OCTOBER 2001

LE HAVRE

In order to create a gastronomic restaurant, the company LA VILLA DU HAVRE was created on 4 June 2001 with a share capital of 40.000 Euro totally held by GROUPE PARTOUCHE S.A.

HÔTEL LE SAVOY – CANNES

On the 20 April 2001, GROUPE PARTOUCHE S.A. acquired for 12.348.000 Euro, 100% of the shares of an Irish company SANDTON TRADING LIMITED owner of 543 602 shares of the SA SOCIETE IMMOBILIERE CANNOSTA, the latter being the operator of the Savoy Hotel in Cannes; i.e. 99,97% of the share capital.

2. SINCE 1 NOVEMBER 2001

VITTEL – CONTREXEVILLE

On the 21 November 2001, we acquired from the PERRIER VITTEL FRANCE SA, for 44.000.000 FRF, the 5000 shares forming the share capital of the SOCIETE D'EXPLOITATION DU CASINO DE CONTREXEVILLE SA, holder of a concession agreement and a gaming licence to operate the Contrexeville casino.

Moreover and following the acquisition of various fixed assets and transferable securities at Contrexille and Vittel, new subsidiaries were created:

The SOCIETE FONCIERE DE VITTEL ET CONTREXEVILLE, a non-trading property company with a share capital of 50.000 Euro, 99,99% of which are held by GROUPE PARTOUCHE S.A. and the remainder 0,01% by FINANCIERE PARTOUCHE S.A. This company owns all the rights of the estate in Contrexeville and Vittel.

The SARL THERMES DE VITTEL with a share capital of 50.000 Euro totally held by GROUPE PARTOUCHE S.A. This company owns the Vittel spa business.

The SARL THERMES DE CONTREXEVILLE with a share capital of 50.000 Euro totally held by GROUPE PARTOUCHE S.A. This company owns the Contrexeville spa business

The SARL HOTEL COSMOS with a share capital of 50.000 Euro totally held by GROUPE PARTOUCHE S.A. This company owns the COSMOS Hotel in Contrexeville.

The SARL GRANDS HOTELS DU PARC with a share capital of 50.000 Euro totally held by GROUPE PARTOUCHE S.A. This company owns the Souveraine Hotel and the Hôtel du Parc located at the thermal Park of Contrexeville.

COMPAGNIE EUROPÉENNE DE CASINOS

Following two acquisitions on the 28 December 2001 and 25 January 2002, the Partouche Group directly held:

- 1 424 911 shares of the Compagnie Européenne de Casinos representing 36,8% of the share capital and 27,6% of the voting rights before dilution, and 28,7% of the share capital and the voting rights on a fully diluted basis and off double voting rights.

- 164 747 convertible bonds representing 395 392 shares once converted, i.e. 8% of the share capital and of the voting rights on a fully diluted basis and off double voting rights.

The Partouche Group launched on the same day i.e. 28 January 2002, a Public Cash Offer on the outstanding share capital at 59 € per share and 144,68 € per convertible bond (see the Information Memorandum dated 8/2/02 approved by the COB under reference number 02-124).

On the 26 February 2002, the Partouche Group acquired 696 561 shares at 66,5 € per share and 117 482 convertible bonds at 164 € per convertible bond. As provided by Article 5-2-11 of the General Regulations of the Conseil des Marchés Financiers, the Partouche Group had to automatically increase its offer on the rest of the capital that gives access to the Compagnie Européenne de Casinos.

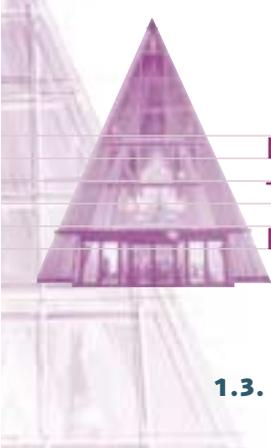
Thus, the Partouche Group holds on 26 February 2002, an aggregate of 54,3% of the Compagnie Européenne de Casinos' share capital (56,4% on a fully diluted basis). This issue is still in progress at the date of this report.

Assignments of interests

No significant assignments have been achieved during the fiscal year.

Companies under control

The companies under control are listed in the scope of consolidation's table that is included in the notes to the consolidated financial statements.



**REPORT BY THE EXECUTIVE BOARD
TO THE ANNUAL GENERAL MEETINGS
HELD ON 9 APRIL 2002 AT 10.00 A.M.**

**1.3. THE SHARE CAPITAL
OF GROUPE PARTOUCHE S.A.**

1.3.1 Shareholding Information

Identity of major Shareholders	31 October 2000 (n-1)	31 October 2001 (n)
FINANCIERE PARTOUCHE SA	62,62 %	62,30 %
SOGESIC SARL	4,62 %	4,62 %
PARTOUCHE FAMILY	4,35 %	4,23 %
SUB-TOTAL	71,59 %	71,15 %
PUBLIC	28,41 %	28,85 %
TOTAL	100,00 %	100,00 %

**1.3.2. Self-held shares as part of the procedure
of the shares buy-out**

The previous programme of shares buy-out, authorised by the Annual General Meeting held on the 4 April 2000, that have been included in a Memorandum of Information approved by the COB on the 14 March 2000 under the reference number 00-305, has ended on the 3 October 2001. As part of the granted authorisation and according to the objectives determined by the General Meeting, the Company has acquired on the stock market, 2 738 shares at an average price of 61,64 € for a total amount of 168 767 €, off negotiation expenses. No share was sold.

At the end of the fiscal year, the number of shares held by the Company amounted to 2 738 shares valued at 61,64 € per share. This number represents 0,04% of the share capital.

The Extraordinary General Meeting held on 2nd April 2001 authorised the Executive Board to buy the Company's own shares on the market, pursuant to the provisions of Article L. 225-209 of the Commercial Code, mainly for the purposes of regulating the share price, the delivery of shares by way of exchange for external growth operations or for any other purpose that is in the company's interest. The maximum share price was fixed at 100 € and the minimum price of an assigned share at 50 €. This authorisation, granted for 18 months, was never applied.

**1.3.3 Approval of a procedure enabling
the company to buy its own shares**

We propose to grant the Executive Board, for a period of 18 months and pursuant to the provisions of Articles L. 225-209 and following of the Commercial Code, the authorisation to acquire, in one or several times and at the periods it deems it fit, a number of Company's shares representing 0,5% of the share capital, that is to say 30 783 shares.

This authorisation hereby cancels the previous one granted by the General Meeting held on 2 April 2001.

These acquisitions can be achieved by all possible means, for the purpose of:

- regulating the share price against any adverse trend,
 - buy outs or assignments based on the market situation,
- The maximum share price is fixed at 100 € per share and the minimum price of an assigned share shall not be lower than 50 €. The total amount of this programme should not exceed 3 078 300 €.

**1.4. NET INCOME APPROPRIATION
AND EARNINGS**

**Examination of the financial statements
of the holding company Groupe Partouche S.A.
and net income**

The GROUPE PARTOUCHE S.A.'s net income was 27 778 K€. Net income mainly comprised financial income and dividends paid by subsidiaries.

The decrease in the net income for 1 328 K€, is mainly due to the decrease in the financial income for 1 609 K€.

Such progress in the financial income is particularly explained by the fact that the dividends paid by the subsidiaries to the holding company was limited to 31 966 K€, down by 4 179 K€ and the debt forgiveness had a positive impact on the income, 2 514 K€.

Assets made up largely of financial investments and receivables, totalled 354 054 K€.

On the liabilities side, shareholders' equity reached 207 670 K€, up by 17 454 K€ compared with the previous fiscal year.

We request your approval on these annual financial statements.

Proposed appropriation of net income

We would ask you to approve these annual financial statements (balance sheet, income statement and notes), as submitted to you and showing a net income of 27 778 435 €, which we propose be appropriated as follows:

Net income for the year	27 778 435 €
5% for the legal reserve	1 388 922 €
Balance	26 389 513 €
Payable as dividends to shareholders i.e. 0,8 € per share	4 925 419 €
Balance	21 464 094 €

is appropriated in full to the "retained earnings" account, which thus totals 47 291 103 €.

The net dividend per share is 0,8 € and the corresponding tax credit 0,4 € for shareholders so entitled, producing gross earnings for the latter of 1,20 €.

This dividend may be paid at the end of the Meeting and at the latest by 30 April 2002.

Upon the payment of said dividends, should the Company hold some of its own shares, the amounts corresponding to the unpaid dividends, will be appropriated in full to the "retained earnings".

As required by law, the General Meeting formally records that the dividends distributed for the last three years, together with the relevant dividends tax credits, were as follows:

Year ending	Net dividend in FF and in €	Tax credit in FF and in €
31 October 1998	61 567 740,00 F 9 385 941,46 €	30 783 870,00 F 4 692 970,73 €
31 October 1999	67 724 514,00 F 10 324 535,60 €	33 862 257,00 F 5 162 267,80 €
31 October 2000	67 724 514,00 F 10 324 535,60 €	33 862 257,00 F 5 162 267,80 €

Income for the last five years

The table showing the Company's income for the last five years is included in the notes to the financial statements of the holding company.

Review of the consolidated financial statements

Pursuant to Article L. 225-100 of the Commercial Code and after having heard the report of the Executive Board, we hereby submit to your approval the consolidated financial statements for the fiscal year ended 31 October 2002.

1.5. PROVISIONS OF ARTICLES L. 225-86 AND FOLLOWING OF THE COMMERCIAL CODE

Pursuant to Article L. 225-88 of the Commercial Code, we would ask you to approve the provisions of Article L. 225-86 of the Commercial Code, applied during the fiscal year, following the authorisation granted by your Supervisory Board.

Your Statutory Auditors have been informed of such provisions that they include in their special report.

1.6. COMPANY'S MANAGEMENT AND CONTROL

Renewals

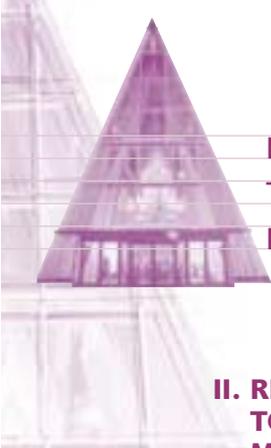
The term of office of the Supervisory Board members, i.e. Mr Isidore PARTOUCHE, Mr Marcel PARTOUCHE, Mr Maurice PARTOUCHE, Mr Maurice SEBAG and Mr Gaston GHRENASSIA alias Enrico MACIAS, expire at the end of this General Meeting. We hereby propose their renewal for another six fiscal years, i.e. until the end of the Annual General Meeting that will examine the statements of the fiscal year ending 31 October 2007.

We strengthen that all the Statutory Auditors' terms are still in force.

Directors' fees

We propose to fix the total annual amount of directors' fees allocated to the Supervisory Board, at 24.500 €.

This decision will be applied during the current fiscal year and following until the General Meeting resolves otherwise.



**REPORT BY THE EXECUTIVE BOARD
TO THE ANNUAL GENERAL MEETINGS
HELD ON 9 APRIL 2002 AT 10.00 A.M.**

**II. REPORT BY THE EXECUTIVE BOARD
TO THE EXTRAORDINARY GENERAL
MEETING**

**IN RESPECT OF A GLOBAL AUTHORISATION
TO INCREASE THE SHARE CAPITAL**

We have also convened you to the Extraordinary General Meeting in order to submit to your approval several resolutions aiming, after decision by the Meeting, at conferring upon the Executive Board the necessary authorisations, for the purpose of issuing any types of transferable security in order to increase the share capital, with retention or removal of the preferential right of subscription.

This delegation would be granted, pursuant to the law, for a period of 26 months from this Meeting.

These resolutions fall within the scope of the so-called "global delegation" provision arising from Article L. 225-129-III of the Commercial Code. They will therefore cancel the previous authorisations given by the Extraordinary General Meeting held on 2 April 2001.

These resolutions are intended to give your Executive Board the greatest possible flexibility of action in the interest of the company. They will enable the expansion of the business by raising the capital required from the financial market. The authorisations that are the subject of resolutions put to your vote will give the Executive Board the ability to choose the most favourable types and terms of issue, given the wide variety of securities and the constant changes in the stock markets and to also use these delegations for public cash or exchange offers. Your Executive Board will thus be able to issue company's shares, as well as any transferable securities which, now or in the future, give entitlement to shares.

The amount of capital increases, effected immediately and/or in the future, will not be allowed to exceed a nominal value of 500 000 000 €, unless to add to this ceiling, the nominal amount of the further shares that have to be issued in order to protect, in accordance with the law, the rights of transferable securities' holders which give entitlement to shares.

Such issues may be made with the retention of the shareholders' priority right of subscription or involve the removal of the shareholders' priority right of subscription.

A waiver of the priority right of subscription acts to speed up the placing of issues and thereby facilitate the successful completion of such.

In the case of an issue without a priority right of subscription, the sum due or that should be due to the company for each share issued, after taking account, in the case of autonomous warrants of the issue price of the said warrants, must be at least equal to the average of the stock market price for the company's share for ten consecutive trading days chosen from the twenty business days preceding the issue of the shares or other transferable securities, after adjustment of this average in relation to the date from which the right to income accrues in respect of the securities.

**IN RESPECT OF AN AUTHORISATION
TO A SHARE CAPITAL INCREASE RESERVED
TO EMPLOYEES**

Moreover and pursuant to the Act of 19 February 2001 concerning SAYE, while deciding a capital increase, the Meeting has to express its opinion in respect of a capital increase as provided by Article L. 433-5 of the Employment Code.

The purpose of this increase is to allow the utilisation of all or part of the amounts remitted into one or more company's savings plans (PEE), whether directly or through company's common investments funds (FCPE) in a subscribed capital as provided by the law in force, mainly in respect of pricing.

For the only purpose of fulfilling the legal provisions, we are submitting to your approval a resolution to increase the share capital in order to favour the employees' shareholding.

It provides a simple authorisation to increase and a global delegation granted to the Executive Board.

Besides, this resolution covers the confirmation and the validation of the sixth, seventh and eighth resolutions approved by the General Meeting held on 2 April 2001 in respect of the conversion of the share capital into Euro, as the aforementioned Meeting did not resolve the principle of a capital increase reserved to employees.

Your Executive Board suggests you adopt, by your votes, such a resolution even if the present situation of the company in respect of SAYE makes it unlikely for this delegation to be used.

Consequently, after the submission of the reports by the Statutory Auditors, we would ask you to vote on the agenda and the wording of the resolutions which follow.

The Executive Board

**CONSOLIDATED
FINANCIAL
STATEMENTS**

2001

CONSOLIDATED BALANCE SHEET

AS AT 31/10/2001

ASSETS	notes	As at 31/10/2001	As at 31/10	
<i>In thousands of Euro</i>			2000	1999
Set-up costs		1 071	1 648	1 965
Capitalised research and development costs		14	19	25
Franchises, patents, licences and trademarks		854	977	218
Goodwill		5 708	5 995	5 573
Consolidated goodwill	2	72 562	77 687	66 047
Other intangible fixed assets		764	881	479
Advances and prepaids		-	-	10
INTANGIBLE FIXED ASSETS	1	80 973	87 208	74 317
Land		12 322	11 802	11 422
Buildings		144 555	120 186	108 526
Machinery and equipment		27 579	23 484	19 907
Other tangible fixed assets		29 465	29 244	18 291
Outstanding assets		8 596	6 502	2 175
Advances and prepaids		1 064	10 233	3 378
TANGIBLE FIXED ASSETS	3	223 581	201 451	163 699
Participating interests	4	48 448	36 193	35 753
Other fixed securities		6	2	47
Loans	5	1 090	978	721
Other long-term investments		1 033	983	739
FINANCIAL INVESTMENTS		50 577	38 157	37 260
FIXED ASSETS		355 131	326 815	275 276
Raw materials	6	1 890	1 686	1 434
Semi-finished and finished goods		170	138	46
Goods held for resale		840	770	492
Down-payments to suppliers		400	803	95
Trade receivables	7	8 141	10 350	8 649
Deferred State tax	8	2 903	3 310	4 188
Other receivables	9	28 993	26 175	35 424
Company's Shares	10	168	-	-
Other transferable securities	10	20 670	7 184	16 935
Cash at bank and in hand		25 743	31 770	46 112
Expenses to be paid	11	5 929	5 783	6 060
CURRENT ASSETS		95 847	87 968	119 435
Prepayment and accrued income		1 138	1 343	684
TOTAL ASSETS		452 116	416 126	395 395

LIABILITIES AND SHAREHOLDERS' EQUITY		notes	As at 31/10/2001	As at 31/10	
<i>In thousands of Euro</i>				2000	1999
Share capital			86 195	85 412	85 412
Paid-in capital			9 411	9 411	9 411
Revaluation of Group assets above historical costs			(52 883)	(52 446)	(52 555)
Legal reserve			4 965	3 510	2 792
Statutory reserves			5 566	5 566	5 566
Other reserves			(15 240)	(14 751)	(14 751)
Group reserves			88 316	88 377	78 511
Unrealised Group gains on foreign transactions			81	(94)	(88)
Retained earnings			25 956	8 500	5 187
Group net income			34 314	28 842	25 155
SHAREHOLDERS' EQUITY		12	186 682	162 326	144 640
Minority interests			10 823	9 492	8 043
Income attributable to minority interests			3 108	3 439	3 232
MINORITY INTERESTS			13 931	12 931	11 275
Contingency provisions		13	2 163	1 989	2 821
Loss provisions		13	1 679	2 075	2 843
Provisions for deferred tax		14	1 082	713	473
CONTINGENCY AND LOSS PROVISIONS			4 924	4 778	6 137
Bank loans and overdraft		15	132 755	119 225	125 931
Various loans and debts		15	7 966	16 871	15 415
Down-payments from clients			997	772	874
Trade notes and accounts payable			13 392	14 300	12 023
Taxes and social charges		16	58 482	48 095	42 979
Liabilities to fixed asset suppliers		17	13 823	16 091	15 249
Other liabilities		18	10 513	10 830	12 797
Prepaid income			8 651	8 652	8 034
LIABILITIES			246 579	234 836	233 302
Adjustments			-	1 254	41
TOTAL LIABILITIES			452 116	416 126	395 395

CONSOLIDATED INCOME STATEMENT

AS AT 31/10/2001

INCOME STATEMENT	notes	As at 31/10/2001	As at 31/10	
<i>In thousands of Euro</i>			2000	1999
Sales of goods held for resale		1 269	830	628
Sales of services		289 274	257 931	210 081
NET TURNOVER		290 543	258 761	210 709
Goods capitalised		530	539	730
Operating subsidies		276	213	620
Excess depreciation, provision and expense transfers	1	5 419	5 499	6 721
Other income		351	237	135
OPERATING INCOME		297 119	265 249	218 915
Stock purchased		3 348	2 939	2 583
<i>Change in stock inventory</i>		(65)	7	(108)
Raw materials purchased		14 540	13 963	10 250
<i>Change in raw material inventory</i>		(367)	(105)	(398)
Other purchases and external expenses	2	58 711	55 576	41 574
Taxes		14 048	12 913	11 038
Wages and salaries		65 210	58 878	45 058
Social security contributions		26 346	24 567	20 183
Assets depreciation allowances		20 059	17 740	12 966
Assets depreciation provisions		-	-	55
Provisions for losses on current assets		3 127	1 320	976
Contingency and loss provisions		690	1 163	720
Other expenses		8 326	7 648	7 489
OPERATING EXPENSES		213 973	196 609	152 386
OPERATING INCOME		83 146	68 640	66 529

INCOME STATEMENT	notes	As at 31/10/2001	As at 31/10	
<i>In thousands of Euro</i>			2000	1999
Loss sustained or profit transferred		-	-	(20)
Income from other capitalised securities		88	34	56
Other interest income		320	662	1 049
Excess provisions charged and expenses transfers		70	13	207
Foreign exchange gains		953	562	288
Gains on sales of short-term investments		487	442	72
Exchange differences		9	-	-
INVESTMENT INCOME	3	1 927	1 713	1 672
Depreciation allowances and provisions		286	149	191
Interest expenses		8 678	7 949	5 051
Foreign exchange losses		474	53	49
Net Expenses/Transferable securities' assignments		54	-	-
INTEREST AND OTHER FINANCIAL CHARGES	3	9 492	8 151	5 291
FINANCIAL INCOME		(7 565)	(6 438)	(3 619)
ORDINARY INCOME BEFORE TAX		75 581	62 202	62 890
Extraordinary gains in operations		2 447	10 878	1 260
Proceeds of assets sold and other capital gains		2 311	1 819	2 271
Excess provisions charged and expenses transfers		1 221	3 110	2 125
EXTRAORDINARY INCOME	4	5 979	15 807	5 656
Extraordinary operating expenses		3 926	2 444	3 425
Book value of assets sold and other capital losses		1 303	614	1 190
Depreciation and regulated provisions		709	5 530	320
EXTRAORDINARY EXPENSES	4	5 938	8 588	4 935
EXTRAORDINARY INCOME		41	7 219	721
Provision for consolidated goodwill amortisation		5 137	4 918	5 344
Employee profit-sharing		4 361	4 394	3 329
Income tax expenses	5	27 926	26 708	25 537
Deferred tax on profits	5	775	1 119	1 014
TOTAL INCOME		305 024	282 770	226 243
TOTAL EXPENSES		267 602	250 488	197 856
Integrated companies income		37 422	32 282	28 387
GROUP INCOME		34 314	28 842	25 155
INCOME ATTRIBUTABLE TO MINORITY INTERESTS		3 108	3 440	3 232
Net income per share *		6,08	5,24	4,61

* Total number of shares: 6 156 774

CONSOLIDATED CASH FLOW STATEMENT

<i>In thousands of Euro</i>	As at 31/10/2001	As at 31/10/2000
OPERATING ACTIVITIES		
Net income of consolidated companies	37 422	32 282
Depreciation	25 196	22 525
Provision charges	(1 310)	(3 085)
Changes in deferred taxation	775	879
Net book value of assets sold	712	427
Income from sale of assets	(675)	(594)
OPERATING CASH FLOW	62 120	52 434
Movements in working capital	8 000	3 461
NET CASH INFLOW FROM OPERATING ACTIVITIES	70 120	55 895
INVESTMENT ACTIVITIES		
Purchases of tangible and intangible fixed assets	(42 502)	(37 855)
Purchase of financial investments	(12 716)	(820)
Income from sale of assets	675	594
Impact of change in Group structure and others	(450)	(11 666)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	(54 993)	(49 747)
FINANCING ACTIVITIES		
Increase (decrease) in loans and other financial debts	4 712	(19 946)
Expenses to be amortised	(101)	58
Dividends paid	(11 859)	(10 325)
NET CASH INFLOW FROM FINANCING ACTIVITIES	(7 248)	(30 212)
NET CASH INFLOW (OUTFLOW)		
Increase (decrease) in short-term investments	13 655	(9 751)
Increase (decrease) in bank balances and cash	(5 893)	(14 314)
Effect of increase (decrease) in currencies rates	117	-
MOVEMENTS IN CONSOLIDATED WORKING CAPITAL		
<i>In thousands of Euro</i>	As at 31/10/2001	As at 31/10/2000
ASSETS		
Trade receivables	2 380	(1 637)
Stock and work-in-progress	(306)	(117)
Other receivables	(3 094)	19 498
Prepaid expenses	(162)	520
Exchange differences	-	(150)
Advances and prepaids	402	(642)
SUB-TOTAL	(780)	17 472
LIABILITIES		
Trade payables	(808)	(1 808)
Taxes payable and other social liabilities	10 452	1 425
Other operating liabilities	(1 089)	(13 356)
Advances and prepaids	225	(273)
SUB-TOTAL	8 780	(14 011)
MOVEMENTS IN WORKING CAPITAL	8 000	3 461



MOVEMENTS IN CONSOLIDATED SHAREHOLDERS' EQUITY, GROUP'S SHARE AND MINORITY INTERESTS

	Share capital	Share premium	Group revaluation variance	Group consolidated reserves	Group consolidated income	Group shareholders' equity	Minority interests
<i>In thousands of Euro</i>							
POSITION AS AT 31 OCTOBER 1999	85 412	9 411	(52 555)	77 217	25 155	144 640	11 275
Exchange differences	-	-	-	(6)	-	(6)	-
Distribution of GP SA dividends	-	-	-	(10 325)	-	(10 325)	-
Distribution of subsidiaries dividends	-	-	-	-	-	-	(1 217)
Change in scope of consolidation- New subsidiaries	-	-	97	(97)	-	-	757
Change in percentage interests	-	-	11	(691)	-	(680)	(1 164)
Other changes	-	-	2	(147)	-	(145)	(159)
Appropriation of 1999 earnings	-	-	-	25 155	(25 155)	-	-
Net income for 2000 fiscal year	-	-	-	-	28 842	28 842	3 439
POSITION AS AT 31 OCTOBER 2000	85 412	9 411	(52 446)	91 107	28 842	162 326	12 931
Exchange differences	-	-	-	175	-	175	-
Distribution of GP SA dividends	-	-	-	(10 324)	-	(10 324)	-
Distribution of subsidiaries dividends	-	-	-	-	-	-	(1 534)
Changes in scope of consolidation- New subsidiaries	-	-	-	-	-	-	-
Change in percentage interests	-	-	-	-	-	-	-
Other changes*	783	-	(437)	(156)	-	190	(575)
Appropriation of 2000 earnings	-	-	-	28 842	(28 842)	-	-
Net income for 2001 fiscal year	-	-	-	-	34 314	34 314	3 108
POSITION AS AT 31 OCTOBER 2001	86 195	9 411	(52 883)	109 644	34 314	186 681	13 931

* including the impact of the conversion of the share capital into Euro.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

KEY EVENTS OF THE FISCAL YEAR

The following key events marked the fiscal year:

- The authorisation to operate 200 slot machines at Le Pharaon casino – Cité Internationale de Lyon. The GGR of the machines set up on the 10 July 2001, immediately ranked with the average GGR of the Group.
- The inauguration of the Aix-en-Provence Pasino in July 2001, that put an end to both the moving of the establishment from the old premises located downtown and the construction that started at the beginning of the previous fiscal year.
- The acquisition in October 2001 of the company that owns the Savoy Hotel in Cannes, a 4 stars luxury hotel with 106 rooms, immediately adjoining the Carlton at the Croisette.

ACCOUNTING PRINCIPLES

Statutory and regulatory framework

The consolidated financial statements of the Partouche Group comply with the provisions of the French methodology approved by the Comité de la Réglementation Comptable – CRC 99-02.

Applying this new methodology for the fiscal year 2001 did not have a significant effect on the net consolidated income and situation of the Group.

The financial statement of the foreign companies that comply with the regulations in force in their respective countries, are reprocessed in order to answer the accounting principles generally accepted within the Group.

Moreover, the Group has taken up the option provided by the new regulations, of avoiding to retrospectively processing the acquisitions and assignments achieved before the 1 November 2001. Consequently, no consolidated goodwill has been charged on the paid-in capital for the previous fiscal years.

Consolidation methods

All subsidiaries over which the Group exercises directly or indirectly exclusive control are fully consolidated.

Those companies over which the Group exercises a joint control with other partners are consolidated by the proportional method. This method is applied to the S.A Casino de GRASSE and the S.C. Casino de GRASSE.

Conversion methods

1. Conversion of the financial statements of foreign companies

The foreign companies' statements are initially set up in the local currency of each subsidiary. The balance sheet figures are converted into French francs on the basis of the exchange rates prevailing at the closing date of the fiscal year. The shareholders' equity headings are converted on the basis of the historical exchange rates, the conversion differences from the previous fiscal year are accrued in the heading "conversion differences" included in the shareholders' equity. The income and cash flow headings are converted on the basis of an average rate during the fiscal year.

Finally, the statements of our Romanian subsidiary that operates in a country with a galloping inflation, have been reprocessed on hyperinflation basis, the results of such reprocessing are recorded in the financial income.

2. Conversion of the operations in foreign currencies

Receivables and liabilities expressed in foreign currencies have been converted on the basis of the exchange rate as at 31 October 2001. The income, expenses and flows are on the basis of the exchange rate prevailing at the date they were posted. The gains and losses resulting from the conversion of the assets and liabilities are listed in the income statement, as provided by the preferential method of the regulations 99-02. This change in the methods resulted in a benefit for 232 K€ fully recorded in the income statement as at 31 October 2001.

Intangible fixed assets

1. Consolidated goodwill

Consolidated goodwill is the difference between the acquisition costs of interests and the percentage of net assets at the acquisition date, after deducting any specific items that may have been attributed to specific elements of assets and liabilities.

In the casino business, external growth transactions (acquisitions, etc.) generate positive consolidated goodwill, since the activity of the acquired casinos is generally limited to table games. It is by taking account of future profitability, resulting in particular from the likelihood of obtaining slot machines, that the consolidated goodwill is justified, after deduction of any specific assets which may have been charged.

In accordance with the Group accounting policy, consolidated goodwill is written off on a straight-line basis over a period of 20 years, in view of the long-term and beneficial nature of the investments concerned.

When the above criteria are not met, due to failure in obtaining licences to operate slot machines or, if their earning capacity proves to be lower than the initial forecast over a period of three consecutive years following the granting of said licences, then the Partouche Group undertakes to review its position regarding the remaining amortisation period for said goodwill.

2. The business

Taking into account the sectors of activities of the Group, the business operations can constitute identifiable and significant assets elements observed once the consolidated companies are under control. In that case, it concerns identifiable elements, the value progress of which can be verified. At 31 October 2001, the business constituted by unidentifiable items has been totally depreciated.

Purchased goodwill, excluding development rights, of Group companies is written down over a period of 20 years. If the company's business activities were to decline, or if we found that some components of such goodwill were becoming obsolete, the amortisation period for such could be reviewed.

3. Other intangible fixed assets

The intangible assets other than the business are depreciated over their expected useful lives:

- Start-up costs	5 years
- Patents and licences	1 to 2 years
- Software	1 to 3 years

Tangible fixed assets

Tangible fixed assets are stated in the balance sheet at historical cost (acquisition price and expenses) or at production cost.

The property complex received from SIHB following the merger has been re-evaluated at 517 Euro for the land and 1 497 464 Euro for the buildings.

This increase in value, resulting from a cautious assessment, is maintained in the consolidated financial statements.

The Group generally uses the straight-line method of depreciation, over the following expected useful lives:

- Buildings	20 to 50 years
- Plant and Equipment	5 to 10 years
- Vehicles	4 or 5 years
- Office and computer equipment	2 to 5 years

Moreover, slot machines within the Group are depreciated on a straight-line basis over five years and the coins and chips over ten years.

Long-term investments

The long-term investments are stated in the balance sheet at acquisition cost off incidental expenses or at production cost. When the inventory value is less than the gross value, a depreciation provision of the difference is accounted. The inventory value of the investments is based on their useful value or on the market value. This value can notably be determined through:

- The calculation of the net asset in the subsidiary's last fiscal year, adjusted with the potential capital-gains (business, buildings, deferred tax...).
- Forecast elements such as the profitability prospects.
- Stock market prices.

Inventories

Inventories are valued on a "first-in, first-out" basis.

Receivables

Receivables are recorded at their face value. A depreciation provision is set up whenever their inventory value, based on the likelihood of their being recovered, is less than book value.

Transferable securities

The transferable securities are recorded in the balance sheet at their acquisition cost or market value if the latter is less. As for the shares, the market value is fixed on the basis of the average stock market price of the last month of the fiscal year.

Deferred tax

The PARTOUCHE GROUP calculates its taxes in accordance with the tax legislation in force in the countries where the income is taxable.

Deferred taxes are determined each year for each tax entity using the liability method based on each company's tax position or on the income of all the companies that are included in the tax consolidation scopes.

Deferred tax assets relating to loss carry-forwards and to depreciation that is deemed to be deferred are only recognised if the tax entity is reasonably certain that it will recover such in later years.

Contingency and loss provisions

The tax and social litigation are provided for, up to the risks estimated on the basis of the elements available at the end of the fiscal year.

Leasing

The assets acquired by leasing or long-term letting are not fixed assets. The corresponding rents are stated in the operating expenses of the fiscal year to which they relate. Fixing these assets will have no significant effect on the consolidated balance sheet. The amount of the commitments related to these leasing contracts is stated in the commitments given off-balance sheet.

Commitments in respect of retirement bonuses

As provided by the regulations and law of each country, the Group's companies have mandatory commitments in respect of retirement bonuses.

These commitments have been actuarially evaluated according to a prospective method. Total liabilities related to the employee's rights have been determined according to the provisions of the agreements in force in each company. This evaluation takes into account the probabilities of maintaining the employee in his job until retirement, of mortality per sex, of the forecast on wages and of the financial updating. Each company has its own hypothesis. The selected update rate is 5,5%.

The Partouche Group did not choose the open option of accounting these commitments as provisions in the consolidated financial statements as at 31 October 2001. Among the group, the retirement bonuses commitments are entirely incurred in France and are only meant for retirement benefits. The amounts of said commitments are stated in the commitments given off balance sheet.

Specific observations concerning the accounting rules

1. The chart of accounts for seaside resort casinos (Order of 27 February 1984) requires the application of specific

regulations as to the use of investment subsidies on tax levies. The levy corresponds to the additional receipts resulting from the casinos gains by applying the new progressive levies scale (27 November 1986) that should be used up to 50%, in improving the tourism equipment as provided by the Decree. Investment subsidies shown under shareholders' equity of the subsidiaries statements are stated in the consolidated "prepaid income" and essentially constitute this heading.

2. In accordance with the casino chart of accounts, the Partouche Group provides for progressive jackpots at the end of the fiscal year.

3. Since 31 October 1997 year-end, and in order to comply with the recent interpretation of the chart of accounts applicable to spa resort casinos, the Partouche Group casinos do not account for the inventory face values of counters and chips under cash at bank and in hand and other liabilities. Only counters and chips in circulation are recorded under "other liabilities".

4. Since 31 October 1999 year-end, the Group capitalises, in the assets of the company accounts of the subsidiary in question, the financing interest for investments exceeding 15,2 M€ and until said investments come into operation.

Distinction between ordinary income and extraordinary income

The extraordinary gains and expenses of the consolidated income statement include the exceptional elements resulting from ordinary activities, and the extraordinary elements. The exceptional elements resulting from ordinary activities are those the achievement of which is not related to the current operations of the company, either because their amounts or incidence are of abnormal nature or because they very rarely occur.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

SECTORS INFORMATION

Figures in thousands of Euro

TURNOVER	31/10/2001	31/10/2000	31/10/1999
Games	209,2	186,5	160,7
Restaurants	38,2	31,5	23
Hotels	25,6	22	14
Other	17,5	18,8	13
CONSOLIDATED TOTAL	290,5	258,8	210,7

TURNOVER	31/10/2001	31/10/2000	31/10/1999
France	277,6	245,1	199,1
Europe (Excluding France)	7,8	8,8	7,1
Other establishments	5,1	4,9	4,5
CONSOLIDATED TOTAL	290,5	258,8	210,7

NOTES TO THE BALANCE SHEET

Figures in thousands of Euro

NOTE 1 - INTANGIBLE FIXED ASSETS

CHANGE IN GROSS VALUES	31/10/2000*	Increase	Decrease	31/10/2001
Purchased goodwill	8 259	5	-	8 264
Consolidated goodwill	100 655	600	638	100 617
Other	6 109	525	460	6 174
TOTAL	115 023	1 130	1 098	115 055

* This includes exchange differences at the year-end for foreign companies for 182 K€.

AMORTISATION	31/10/2000*	Increase	Decrease	31/10/2001
Purchased goodwill	2 264	292	-	2 556
Consolidated goodwill	22 967	5 137	50	28 054
Other	2 738	844	110	3 472
TOTAL	27 969	6 273	160	34 082

* This includes exchange differences at the year-end for foreign companies for 29 K€.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NET VALUES	31/10/2000	31/10/2001
Purchased goodwill	5 995	5 708
Consolidated goodwill	77 687	72 562
Other	3 526	2 703
TOTAL	87 208	80 973

COMMENTS:

The decrease in this heading is mainly due to the decrease in the consolidated goodwill, as broken down hereafter. The net decrease of 0,2 M€ in the purchased goodwill heading, relates to the total depreciation of funds the sources of which are unidentified.

NOTE 2 - CONSOLIDATED GOODWILL

SUMMARY OF CONSOLIDATED GOODWILL	Consolidated goodwill as at 31/10/2001			31/10/2000
	Gross	Amortisation	Net	Net
Holding companies				
GRUPE PARTOUCHE SA	50 276	12 095	38 181	40 741
FORGES THERMAL	231	168	63	68
ELYSEE PALACE EXPANSION	2 904	998	1 906	2 051
SFC	7 833	651	7 182	6 957
SIHCT	542	54	488	515
SCI THERMES	865	67	798	840
SEMCG	942	71	871	1 488
GRUPE PARTOUCHE BELGIQUE	8 141	1 859	6 282	6 727
SIKB	119	42	77	84
SATHEL	18 382	7 122	11 260	12 201
SEK	8 705	4 300	4 405	4 882
AIX THERMAL	1 676	627	1 049	1 133
CONSOLIDATED TOTAL	100 616	28 054	72 562	77 687

CHANGES BREAKDOWN

NET VALUE 2000	77 687
Increase	600
SFC	
Acquisition of CHATEL securities	598
Acquisition of Compagnie Thermale securities	2
Assignments	(588)
SEMCG	
Assignment of CHATEL securities	(553)
CASKNO	
Assignment of CASKNO securities	(35)
AMORTISATION ALLOWANCE	(5 137)
NET VALUE 2001	72 562

NOTE 3 - TANGIBLE FIXED ASSETS

CHANGES IN GROSS VALUE	31/10/2000*	Increase	Decrease	31/10/2001
Land	12 088	628	8	12 708
Buildings	161 100	33 445	2 872	191 673
Machinery and equipment	68 387	14 482	9 938	72 931
Other tangible fixed assets	50 769	6 121	3 178	53 712
Outstanding Assets	6 502	2 849	755	8 596
Advances and prepaids	10 232	946	10 114	1 064
TOTAL	309 078	58 471	26 865	340 684

* This includes exchange differences at the year-end for foreign companies for 884 K€.

AMORTISATION	31/10/2000*	Increase	Decrease	31/10/2001
Land	308	85	7	386
Buildings	41 367	6 106	355	47 118
Machinery and equipment	45 050	8 006	7 704	45 352
Other tangible fixed assets	21 607	5 262	2 622	24 247
TOTAL	108 332	19 459	10 688	117 103

* This includes exchange differences at the year-end for foreign companies for 180 K€.

NET BOOK VALUE	31/10/2000	31/10/2001
Land	11 802	12 322
Buildings	120 186	144 555
Machinery and equipment	23 484	27 579
Other tangible fixed assets	29 244	29 465
Outstanding assets	6 502	8 596
Advances and prepaids	10 233	1 064
TOTAL	201 451	223 581

The following is a breakdown of the "Other tangible fixed assets" as at 31 October 2001:

OTHER TANGIBLE FIXED ASSETS	Gross value	Amortisation
Fixtures and fittings	42 956	18 177
Office furniture and equipment	9 495	5 401
Vehicles	1 100	662
Other	161	7
TOTAL	53 712	24 247

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

COMMENTS:

The companies newly included in the scope of consolidation have been created during the fiscal year; the balance of their assets headings is made up of the only movements of the fiscal year and is thus insignificant.

The changes in the tangible assets heading are particularly due to the development of buildings, machinery and equipment, advances and prepaids items in respect of the following investments:

- Completion of the construction and fitting-out of the Aix-en-Provence Pasino.
- Refurbishment and fitting-out of "La Villa" in Le Havre (construction accounted on Groupe Partouche S.A.).
- Fitting-out of the slot machines' room at the Grand Casino in Lyons.
- Renovation or fittings of some casinos and hotels.
- Assignments and correlative discarding.

The impact in gross values of these companies on the headings of tangible assets is as follows:

INCREASE	Aix-en-Provence	Grand Casino Lyon	Villa du Havre	Other
Land	500	-	-	128
Buildings (1)	26 280	-	2 034	5 131
Machinery and equipment (2)	4 064	2 914	147	7 357
Other tangible fixed assets (3)	372	437	71	5 241
Outstanding assets (4)	-	-	-	2 849
Advances and prepaids	70	58	-	818
TOTAL	31 286	3 409	2 252	21 524

The main constituents of the "other" column are as follows:

(1) Renovation of the Chatel Guyon casino for 1008 K€ and the extension of the Forges casino for 782 K€.

(2) and (3) These are amounts spread over all the consolidated companies.

(4) These relate mainly to work in progress on fitting out Palm Beach (1 830 K€).

DECREASE	Aix-en-Provence	Forges	Garden Beach	Other
Land	-	6	-	2
Buildings	-	263	-	2 609
Machinery and equipment (1)	882	465	3 907	4 684
Other tangible fixed assets (2)	420	422	880	1 456
Outstanding assets	-	109	-	646
Advances and prepaids	9 820	-	-	294
TOTAL	11 122	1 265	4 787	9 691

The main constituents of the "other" column are as follows:

(1) These are amounts spread over all the consolidated companies.

(2) 827 K€ relate to assignments in La Ciotat casino.

NOTE 4 - NON-CONSOLIDATED PARTICIPATING INTERESTS

Companies regarded as insignificant in terms of their turnover, total balance sheet, net assets and income; those, which are not intended to be held long-term, are not consolidated.

COMPANIES	Gross values	Provisions	Net values	Percentage held	Shareholders' equity 31/10/01 off-income	Net income 31/10/01	Loans & advances	Guarantees	Turnover 31/10/01	Reason for non consolidation
SA Casino Alvignac	29	-	29	99,68	8	(17)	49	-	-	Dormant
SA Casino Morsbronn	75	75	0	99,72	(74)	(10)	86	-	-	Dormant
SA Casino Trinité	76	-	76	99,84	41	(113)	136	-	-	Dormant
Société Fermière du Casino Municipal de Cannes (1)	35 308	-	35 308	15,76	39 085	(1 039)	-	-	30 446	Holding of less than 20%
Sandton Trading Limited Cannes (2)	12 348	-	12 348	100	52	55	-	-	99	Insignificant interest
Various	905	218	687	-	-	-	-	-	-	Dormant or insignificant interest
TOTAL	48 741	293	48 448							

(1) Source: Consolidated financial statements y/e 31/10/2000.

(2) Source : Financial statements of the holding company y/e 30/09/2001.

The development of this heading is made-up of the acquisition of the Sandton Trading Limited securities, mid-October, for 12 348 K€. This company will be included in the scope of consolidation at 30 April 2002.

The stock exchange price of SFCMC is 360 Euro as at 31 October 2001.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 5 - LOANS

The following maturity dates apply:

	TOTAL	- 1 year	1 to 5 years	+ 5 years
Gross	1 350	133	840	377
Provision	260	-	-	-
NET	1 090	-	-	-

The loan provision is mainly for the Aix-en-Provence casino (234,7 K€).

NOTE 6 - INVENTORIES

	31/10/2000	31/10/2001
Gross	2 608	2 900
Provision	14	-
NET	2 594	2 900

NOTE 7 - TRADE RECEIVABLES

	31/10/2000	31/10/2001	- 1 year	1 to 5 years	+ 5 years
Gross	14 472	12 783	10 701	2 082	-
Provision	(4 122)	(4 642)	(4 642)	-	-
NET	10 350	8 141	6 059	2 082	-

The trade receivables of the CARLTON casino stand for 2 675 K€ of the net total of the heading.

The provision for diminution in value of these receivables mainly covers cheques or credit card payments for which payment is still outstanding, i.e. 4 215 K€ for games.

NOTE 8 - DEFERRED TAX ASSETS

	31/10/2000	31/10/2001
Losses available for carry forward	227	44
Depreciation treated as deferred	1 179	709
Employee profit-sharing	1 564	1 557
Other items	340	593
TOTAL	3 310	2 903

During this fiscal year, the appropriation of Jerba earlier losses on its fiscal income and the activation of consolidating its business during the previous fiscal year, explains the reduction in the item "Losses available for carry forward". The appropriation of 657 K€ depreciation treated as deferred of Juan-les-Pins casino explains the reduction in the item "Depreciation treated as deferred".

Tax losses available for carry forward and depreciation treated as deferred

The tax losses available for carry forward and depreciation treated as deferred that did not lead to account deferred taxation, amount to:

	31/10/2001
Tax losses	38 526
Depreciation treated as deferred	19 397

NOTE 9 - OTHER RECEIVABLES

	31/10/2000	31/10/2001
Income tax	2 090	1 361
VAT	6 725	13 242
Other	692	317
Subsidies	1 253	1 020
Outstanding suppliers	922	1 018
Employee advances and prepaids	152	191
Social organisations	39	425
Other	20 433	18 485

GROSS TOTAL	32 306	36 059
Provision	(6 131)	(7 066)
NET TOTAL	26 175	28 993

BREAKDOWN

	- 1 year	1 to 5 years	+ 5 years
NET	28 582	2	409

The increase of 3 753 K€ in this heading mainly results from:
 - The repayment of part of HIL receivable on Sogea for 3,8 M€;
 - The increase in "VAT" related to the investments in the new casino of Aix-en-Provence for 8 M€.

The provision for diminution in value of other receivables mainly comprises the provision of 5,3 M€ for the HIL receivable on Sogea.

NOTE 10 - CASH FLOW

	31/10/2001
Listed securities	41
SICAV	20 105
Unit trust	114
Certificates of deposit	412
Non-listed shares and equivalent	1
Company's shares	169
Provisions for diminution in value	(4)

TRANSFERABLE SECURITIES (NET)	20 838
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CASH AT BANK AND IN HAND	25 743
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DEBIT CASH FLOW	46 581
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The market value of the transferable securities inventories is 20 812 K€ as at 31 October 2001.

NOTE 11 - PREPAID EXPENSES

	31/10/2000	31/10/2001
NET	5 783	5 929

The items of this heading are mainly of an operational nature and relate notably to the local authorities' charges of 1,78 M€ for the Cabourg casino.

NOTE 12 - DETAILS OF VARIATION IN SHAREHOLDERS' EQUITY AND MINORITY INTERESTS**12.1 Breakdown of the share capital**

As at 31 October 2001, the share capital is of 86 194 836 Euro, divided in 6 156 774 shares with a value of 14 Euro per share (Note 12.2). It is fully paid. Depending on the shareholder's decision, the shares can be registered or bearer shares. In accordance with the by-laws, all listed shares have a simple voting right.

12.2 Increase in the share capital related to the conversion into Euro

As provided by the sixth and seventh resolutions of the Extraordinary General Assembly held on 2 April 2001, following the conversion of the share capital into Euro, the share value has been rounded up to 14 Euro. This increase in the share capital that was deducted from the reserves, amounted to 783 K€.

12.3 Changes in the minority interests heading

The changes in the minority interests heading is due to :

- Dividends paid to minorities for 1 534 K€ ;
- Changes in the scope of consolidation resulting from buy-outs of minority interests in respect of Chatel Guyon casino for 293 K€ ;
- Other changes in the scope of consolidation.

NOTE 13 - CONTINGENCY AND LOSS PROVISIONS

Provisions for tax and employment disputes are calculated on the basis of the risks estimated following the information available at the end of the fiscal year.

	31/10/2000	31/10/2001
CONTINGENCY PROVISIONS		
Tax and social audits	393	573
Litigation and disputes	917	939
Other	679	651
TOTAL	1 989	2 163

The Carlton provisions stand for 1 012 K€ of the total and include litigation and disputes for 773 K€.

	31/10/2000	31/10/2001
LOSS PROVISIONS		
Jackpot	224	231
Tax and social audits	833	1 094
Litigation and disputes	33	90
Other provisions	986	264
TOTAL	2 075	1 679

The loss provision of 300,5 K€ shown in year 2000 and relating to a dispute with the municipality in respect of the San Roque casino, has been totally written back this year.

The provisions related to the tax audits in respect of Groupe Partouche S.A. and Saint Amand are for 407 K€ and 234 K€ respectively.

NOTE 14 - DEFERRED TAX PROVISIONS

	31/10/2000	31/10/2001
TOTAL	713	1 082

The reconsolidating of the investments subsidy allotted by Juan-les-Pins casino to the Garden Beach hotel as provided by Article 34 (hotels allowances) produced a deferred tax liability of 630 K€. Moreover, the impact of the tacking-back of the social disputes provision that previously constituted a deferred tax liability, in respect of the Aix-en-Provence casino, amounted to 307 K€.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 15 - LOANS AND FINANCIAL LIABILITIES

LOANS AND OVERDRAFTS

	31/10/2000	31/10/2001	- 1 year	1 to 5 years	+ 5 years
Bank loans	114 970	131 192	35 948	70 092	25 152
Creditor bank accounts	4 255	1 563	1 563	-	-
TOTAL	119 225	132 755	37 511	70 092	25 152

LOANS AND OTHER LIABILITIES

	31/10/2000	31/10/2001	- 1 year	1 to 5 years	+ 5 years
Employee profit-sharing	5 620	6 010	389	5 621	-
Deposits and guarantees	-	615	615	-	-
Ownership interests liabilities	11 251	1 341	1 341	-	-
TOTAL	16 871	7 966	2 345	5 621	-

ANALYSIS BY INTEREST RATES AT CLOSING DATE

In M€ - off accrued interests

	31/10/2000	31/10/2001
Financial indebtedness - flat rate	52,52	47,90
Financial indebtedness - variable rate	61,79	83,08
FINANCIAL INDEBTEDNESS AT CLOSING DATE	114,31	130,98
Average interest rate - flat	5,88 %	6,03 %
Average interest rate - variable	5,21 %	4,74 %
AVERAGE INTEREST RATE AT CLOSING DATE	5,52 %	5,21 %

Variable rate loans are subject to partial hedging of 20 907 K€. Through an economic interest group, the risk rate is hedged up to 7 622 K€. Two new swaps have been concluded in respect of rates for a total amount of 13 285 K€ at closing date.

NOTE 16 - TAX AND SOCIAL LIABILITIES

	31/10/2000	31/10/2001
Employees	3 198	3 441
Employee profit-sharing	4 253	4 732
Social agencies	4 440	5 372
Paid leaves	5 281	6 779
Gaming levies – other taxes	24 801	28 145
Income tax	3 720	3 662
VAT	2 402	6 349
TOTAL	48 095	58 482

BREAKDOWN	- 1 year	1 to 5 years	+ 5 years
AMOUNT	57 287	1 007	188

The progress is mainly due to the increase in the heading :
 - On Aix-en-Provence for 5,5 M€, out of which 4,6 M€ on the VAT item;
 - On the Grand Casino in Lyons for 1,6 M€ on the levies item.

NOTE 17 - PAYABLES OF FIXED ASSET

	31/10/2000	31/10/2001
Payables on fixed assets	15 350	12 973
Payables on long-term investments	716	733
Warranty hold-backs	25	117
TOTAL	16 091	13 823

BREAKDOWN	- 1 year	1 to 5 years	+ 5 years
AMOUNT	13 617	206	-

NOTE 18 - OTHER LIABILITIES

	31/10/2000	31/10/2001
Chips and counters in circulation	770	854
Levy applicable	1 034	955
Creditor clients	402	23
Administrators' current accounts	3 750	2 893
Other	4 874	5 788

TOTAL	10 830	10 513
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BREAKDOWN	- 1 year	1 to 5 years	+ 5 years
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AMOUNT	10 272	147	94
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The heading "other" is made up of various liabilities mainly resulting from the following companies:

- Forges for 850 K€, Knokke casino for 989 K€, Aix-en-Provence casino for 1 320 K€.

NOTE 19 - COMMITMENTS

Leasing commitments

The reprocessing of the properties funded by leasing would have had the following impact on the financial aggregates:

The value of the properties funded by leasing is:

	31/10/2001
Land & buildings	-
Other fixed assets	1 307

GROSS VALUE	1 307
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Provisions of amortisation for the fiscal year	247
Provisions of amortisation for the previous fiscal years	331

AGGREGATE THEORETICAL AMORTISATION	578
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NET VALUE	729
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The commitments of the Group in respect of, on the one hand, the residual acquisition price and, on the other hand, the balance of the payable charges are:

	31/10/2001
Less than one year	311
More than one year and less than five years	218
More than five years	-

BALANCE OF PAYABLE CHARGES	529
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Residual acquisition price	14
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SUB-TOTAL	543
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Including interests	46
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LEASING LIABILITIES	497
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The impact of reprocessing the leasing would have been for 232 K€ on the consolidated net situation and for 92 K€ on the consolidated income.

Commitments in respect of retirement benefits

The Group's companies have certain obligations in respect of retirement benefits, in accordance with the laws and regulations of each country.

These commitments have been actuarially evaluated according to a prospective method. Total liabilities related to the employees' rights have been determined according to the provisions of the agreements in force in each company. This evaluation takes into account the probabilities of maintaining the employee in his job until retirement, of mortality per sex, of the forecast on wages and of the financial updating. Each company has its own hypothesis. The selected update rate is 5,5%.

The Partouche Group did not choose the open option of accounting these commitments as provisions in the consolidated financial statements as at 31 October 2001. Amongst the group, the retirement bonuses commitments are entirely incurred in France and are only meant for retirement benefits. The retirement commitments, as at 31 October 2001, totalled 730 K€.

Off-balance sheet commitments as at 31 October 2001

COMMITMENTS GIVEN

Guarantees	12 227
Guaranteed bank charges	72 031
Collateral	347

TOTAL	84 605
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COMMITMENTS RECEIVED

Guarantees	37
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TOTAL	37
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NOTE 20 - AVERAGE WORKFORCE

The group's companies employ 3 657 persons, of which 296 are executives and 389 work abroad.

NOTE 21 - MANAGEMENT REMUNERATION

The total remuneration and benefits in kind paid to the Executive and Supervisory bodies in respect of their position within the companies under control, amounted to 490 789 Euro.

NOTES TO THE INCOME STATEMENT

Figures in thousands of Euro

NOTE 1 - EXCESS DEPRECIATION AND EXPENSES TRANSFERS

	31/10/2000	31/10/2001
Excess depreciation	976	2 080
Expenses transfer	4 523	3 339
TOTAL	5 499	5 419

The provision for the Carlton games' clients for 854 K€ mainly explains the increase in the "Excess depreciation" heading.

This heading contains only current items and in particular for expenses transfers, the position of salaries in kind and the gratuities paid to the employees of the Knokke casino.

NOTE 2 - OTHER PURCHASES AND EXTERNAL EXPENSES

	31/10/2000	31/10/2001
Raw material purchases	7 534	9 096
Lease contract payments	296	385
Lease purchase payments*	178	182
Let property	4 974	6 083
Rented property	1 505	1 803
Occupancy expenses	620	654
Maintenance	5 907	5 305
Insurance	1 085	1 304
External staff	2 486	1 901
Fees	6 036	6 846
Advertising	12 855	12 110
Travel and entertainment	1 718	1 910
Telecommunications	1 313	1 364
Bank services	1 952	2 064
Other	7 117	7 705
TOTAL	55 576	58 712

* Sathel only.

COMMENTS:

The development of this heading is due to the increase in liabilities related to the opening of the Aix-en-Provence casino for 1,3 M€ and of the slots machines room at the Grand Casino in Lyons for 0,4 M€ as well as the consolidation of the new companies for 0,4 M€.

NOTE 3 - FINANCIAL INCOME AS AT 31ST OCTOBER 2001

	TOTAL
Income from capitalised securities	88
Other interests income (1)	320
Excess provisions	70
Gains on foreign exchange	953
Gains on sales of short-term investments (2)	487
Gains on foreign transactions	9
TOTAL FINANCIAL INCOME	1 927
Depreciation allowances and provisions	(286)
Interest expenses and equivalent (3)	(8 678)
Foreign exchange losses	(474)
Net expenses on assignment of capitalised securities	(54)
TOTAL FINANCIAL EXPENSES	(9 492)
FINANCIAL INCOME	(7 565)

COMMENTS:

(1) The "Other interests income" heading concerns income from receivables spread over all the consolidated companies.

(2) These are capital gains achieved by Groupe Partouche S.A. on the management of the unit trusts, for 319 K€.

(3) This heading comprises the interest loans liabilities of the group, 3 368 K€ of which are interests on loans accounted in Groupe Partouche S.A.

NOTE 4 - EXTRAORDINARY ITEMS AS AT 31 OCTOBER 2001

	Expenses	Income	TOTAL
EXTRAORDINARY INCOME MANAGEMENT			2 447
Various (1)		2 447	
EXTRAORDINARY INCOME FROM CAPITAL TRANSACTIONS			2 311
Assignment of assets		675	
Subsidies quota-share		1 384	
Other income from capital transactions		252	
EXCESS PROVISIONS AND EXPENSES TRANSFERS			1 221
Excess provisions		1 221	
TOTAL EXTRAORDINARY INCOME			5 979
EXTRAORDINARY OPERATING EXPENSES			(3 926)
Penalties, tax and social audits	(1 188)		
Other (2)	(2 738)		
BOOK VALUE OF ASSETS SOLD AND OTHER CAPITAL LOSSES			(1 303)
Book value of assets sold	(712)		
Other capital losses	(591)		
EXTRAORDINARY DEPRECIATION AND REGULATED PROVISIONS			(709)
Provisions for tax and social litigation	(444)		
Other provisions	(265)		
TOTAL EXTRAORDINARY EXPENSES			(5 938)
EXTRAORDINARY NET INCOME			41

COMMENTS:

(1) The extraordinary income management comprises the tax abatement in respect of the Juan-les-Pins casino related to Article 34 provisions with the Garden Beach hotel for 793 K€, and the tax allowance for the high standard artistic events at the Carlton casino for 381 K€.

(2) The extraordinary operating expenses comprise local authorities tax on the games for years 1999 and 2000 of the San Roque casino for 530 K€ and expenses related to the high standard artistic events at the Carlton casino for years 1998 and 1999, for 895 K€.

Extraordinary income attributable to minority interests

The extraordinary income attributable to minority interests is 300 K€.

NOTE 5 - INCOME AND DEFERRED TAX

5.1 Analysis of tax expenses

	2001	2000
INCOME BEFORE TAX	71 261	65 027
Ordinary Income tax	27 926	26 708
Deferred tax	775	1 119
TOTAL TAX EXPENSES	28 701	27 827
Effective tax rate	40,28 %	42,79%

5.2 Rationalisation of the effective tax rate – tax evidence

	31/10/2001	31/10/2000
Ordinary income	75 581	62 202
Extraordinary income	41	7 219
Employee profit-sharing	(4 361)	(4 394)
INCOME BEFORE TAX AND GOODWILL AMORTISATION	71 261	65 027
TOTAL CONSOLIDATING PROCESS	57 251	36 158
<i>Including cancellation of internal distributions</i>	<i>60 119</i>	<i>38 516</i>
ADVERSE INCOME	16 721	11 275
TAXABLE INCOME AT ORDINARY RATE	145 233	112 460
French ordinary tax rate	35,33 %	36,67 %
TAXES AT ORDINARY RATE (THEORETICAL)	(51 316)	(41 235)
Permanent differentials	20 877	12 771
Tax reprocessing and other, with no impact	(238)	(3)
Impact of rate and foreign rates differentials	(120)	(633)
Excess charges and tax credits, other	798	(221)
Appropriation of losses brought forward & depreciation to be differed	1 297	1 494
GROUP'S TAX EXPENSES	(28 701)	(27 827)
INCOME BEFORE TAX AND GOODWILL AMORTISATION	71 261	65 027
Group's tax rate	40,28 %	42,79 %

BREAKDOWN OF INCOME TAX

	Before tax	Year 2000 Tax	After tax	Before tax	Year 2001 Tax	After tax
Ordinary income	62 202	(26 480)	35 722	75 581	(29 558)	46 022
Extraordinary income	7 219	(1 509)	5 710	41	(124)	(83)
Goodwill amortisation	(4 918)	-	(4 918)	(5 137)	-	(5 137)
Employee profit-sharing	(4 394)	1 221	(3 173)	(4 361)	1 454	(2 907)
Deferred tax	-	(1 119)	(1 119)	-	(775)	(775)
Tax credits	-	60	60	-	302	302
TOTAL	60 109	(27 827)	32 282	66 123	(28 701)	37 422

INFORMATION ON THE GROUP'S SCOPE OF CONSOLIDATION

CONSOLIDATED COMPANIES

The following companies are consolidated by GROUPE PARTOUCHE S.A.:

Companies	Head office	Control	Percentage	Interest	Consolidation method
CASINOS					
SA CASINO DE SAINT AMAND	France	99,99		99,99	FC
SA GRAND CASINO DE CABOURG	France	99,96		99,96	FC
SA CASINO DU GRAND CAFE	France	61,95		61,83	FC
SA GRAND CASINO DE BEAULIEU	France	99,90		99,90	FC
SA FORGES THERMAL	France	58,75		58,75	FC
SA CASINO & BAINS DE MER DE DIEPPE	France	97,58		97,58	FC
SA JEAN METZ	France	99,20		99,20	FC
SA LE TOUQUET'S	France	90,05		90,05	FC
SA CASINOS DU TOUQUET	France	96,53		96,53	FC
SA CASINOS DE VICHY	France	99,92		91,67	FC
SA NUMA	France	98,60		98,60	FC
SA ECK	Belgium	100,00		99,90	FC
SA CASINO LE MIRAGE	Morocco	99,73		49,87	FC
SA LE GRAND CASINO DE DJERBA	Tunisia	85,00		84,92	FC
CASINO NUEVO DE SAN ROQUE	Spain	75,00		74,93	FC
GROUPE PARTOUCHE ROMANIA	Romania	99,00		98,90	FC
SA SATHÉL	France	99,80		99,80	FC
SA CASINO MUNICIPAL DE ROYAT	France	98,00		97,80	FC
SA CASINO LE LION BLANC	France	99,79		99,59	FC
SA EDEN BEACH CASINO	France	99,74		99,54	FC
SA CASINO MUNICIPAL D'AIX THERMAL	France	99,45		99,33	FC
SA CASINO DES FLOTS BLEUS	France	99,96		99,29	FC
SA CASINO DE PALAVAS	France	99,97		99,79	FC
SA CASINO DE GRASSE	France	49,96		49,70	PI
SA GRAND CASINO DE LYON	France	99,98		93,98	FC
SA LCL France & Cie (CASINO CARLTON)	France	100,00		100,00	FC
SA PHOEBUS CASINO GRUISSAN	France	99,89		49,95	FC
SA CASINO MONDORE	France	99,70		49,85	FC
SA CASINO BOURBOULE	France	99,72		49,86	FC
SA CASINO CHATEL GUYON	France	99,78		49,89	FC
HOTELS					
SA ELYSEE PALACE HOTEL	France	99,80		91,55	FC
SA HOTEL INTERNATIONAL DE LYON	France	94,00		94,00	FC
SNC GARDEN BEACH HOTEL	France	100,00		99,55	FC
SNC EGH - LA PART DIEU	France	100,00		99,80	FC
SNC HOTEL DU GOLF	France	100,00		99,80	FC
SARL AQUABELLA	France	99,80		99,80	FC
HOTEL CASINO PHOEBUS	France	99,99		49,94	FC
SPLENDID HOTEL	France	100,00		30,59	FC
OTHER COMPANIES					
SA CANNES BALNEAIRES (PALM BEACH)	France	99,97		99,97	FC
SA C.H.M.	France	93,29		86,18	FC
SARL SOCIETE IMMOBILIERE DE LA TOUR	France	98,00		98,00	FC
SA BARATEM	France	99,72		96,26	FC
SA HOLDING GARDEN PINEDE	France	100,00		100,00	FC
SCI HOTEL GARDEN PINEDE	France	100,00		100,00	FC
SCI RUE ROYALE	France	99,99		99,99	FC
ELYSÉE PALACE EXPANSION	France	99,84		91,59	FC
ELYSÉE PALACE SA	France	99,97		91,56	FC
SA GROUPE PARTOUCHE INTERNATIONAL	Belgium	99,90		99,90	FC
SA SIKB	Belgium	100,00		99,90	FC
SPRL CASKNO	Belgium	70,00		69,93	FC
SPRL ARTMUSIC	Belgium	99,50		99,40	FC
SARL SEK	France	100,00		99,80	FC
SCI DE L'EDEN BEACH CASINO	France	100,00		99,80	FC
SCI PALAVAS INVESTISSEMENT	France	100,00		99,82	FC
SC DU CASINO DE GRASSE	France	50,00		49,74	PI
SA LYDIA	France	97,30		97,30	FC
SCI LYDIA INVESTISSEMENT	France	97,00		97,00	FC
SCI LES THERMES	France	100,00		100,00	FC
SARL THERM'PARK	France	100,00		100,00	FC
PORT LA NOUVELLE	France	99,88		49,94	FC
SA GCJB	France	98,80		49,40	FC
SARL SED	France	99,90		49,95	FC
SARL SF2D	France	99,90		49,95	FC
SA SFC	France	50,00 + 1 vote		50,00	FC
SARL SIHCT	France	97,54		48,77	FC
SCI MONDORE	France	99,00		48,28	FC
SCI PHOEBUS	France	99,98		48,76	FC
SCI AZT	France	99,00		49,45	FC
SA SEMCG	France	61,22		30,61	FC
SCI FONCIERE GRANDS HOTELS	France	100,00		30,67	FC
CIE THERMALE	France	96,62		29,88	FC
CAFÉ CARMEN	France	99,95		49,98	FC
CBAP Centre Balnéothérapie *	France	100,00		100,00	FC
VILLA DU HAVRE *	France	100,00		100,00	FC
A.D.NOR Technologie *	France	51,00		35,66	FC

An asterisk indicates newly consolidated companies.
(FC) Full Consolidation. (PI) Proportional integration.

INFORMATION ON THE GROUP'S SCOPE OF CONSOLIDATION

CHANGES IN PERCENTAGES HELD

	Percentages 1999-2000 Fiscal year		Percentages 2000-2001 Fiscal year	
	Control	Interest	Control	Interest
CASINO MONTDORE	99,74	49,87	99,70	49,85
PORT LA NOUVELLE	99,92	49,96	99,88	49,94
CIE THERMALE	96,30	29,72	96,62	29,88
CHATEL CASINO	89,80	35,24	99,78	49,89
GCJB	100,00	50,00	98,80	49,40
SPLENDID HOTEL	100,00	30,58	100,00	30,59
SA CASINO LE MIRAGE	99,77	49,89	99,73	49,87
CASKNO	100,00	99,90	70,00	69,93

All the newly consolidated companies were acquired during the fiscal year and such companies had not therefore been previously consolidated. The percentages of control and interests are indicated in the above table.

MAIN CHANGES IN THE SCOPE OF CONSOLIDATION

a) Newly-consolidated companies

The following companies are fully consolidated in the financial statements as at 31 October 2001 :

- C.B.A.P.: the balneotherapy centre at Aix-en-Provence - 12 months,
- ADNOR Technology and Villa du Havre - 6 months.

b) Buy-out of minority interests

During the 2001 fiscal year, SFC bought out a minority interest in the Chatel casino thus increasing the group's share from 35,24% to 49,89%.

IMPACT OF CHANGES IN THE GROUP'S SCOPE OF CONSOLIDATION

The impact of the changes in the scope of consolidation on the main financial aggregates as at 31 October 2001 are as follows :

- Turnover : 1 115
- Ordinary income before tax : (98)
- Consolidated net income : (98)

Post closure events

End of November, the Partouche Group sold GROUPE PARTOUCHE ROMANIA, the company operating the Bucharest casino.

During the same month, the Group bought out from the Groupe Perrier Vittel, the Contrexeville casino together with the buildings and assets of the spas and hotels companies of Vittel and Contrexeville. This new division made up of six companies (one casino, two hotels, two spa and one estate company) will be included in the scope of consolidation as at 30 April 2002.

REPORT OF THE STATUTORY AUDITORS ON THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31 OCTOBER 2001

Dear Sir, Dear Madam,

In accordance with the Terms of the assignment your Annual General Meeting entrusted us, we have examined the financial statements of Groupe Partouche S.A., drawn up in Euro, and relating to the accounting period ended 31 October 2001, as attached to this report.

Your Executive Board has drawn up the consolidated financial statements. It is our responsibility, on the basis of our audit, to express an opinion on the said financial statements. We have performed our audit in accordance with the professional standards that are applicable in France; such standards require the necessary steps be taken in order to ascertain that the consolidated financial statements do not incorporate any significant misstatements. An audit consists of examining, on a test basis, the evidence supporting the data contained in the said financial statements. It also consists of an evaluation of the accounting principles that have been followed and of the material estimates used in drawing up the financial statements, and of an evaluation of the overall manner in which they are presented. We consider that our checks provide a reasonable basis for the opinion expressed below.

We certify that the consolidated financial statements, drawn up in compliance with the accounting rules and principles applicable in France, have been prepared in accordance with the law and in good faith, and give a true and fair view of the net assets and of the financial position, as well as of the profits or losses of the whole constituted by the undertakings included in the consolidation.

Without being prejudicial to the above, we draw your attention to section 2 of the notes, which explains the change in the accounting method related to the first enforcement of the CRC 99-02 regulations of 29 April 1999 and its effects on the consolidated income and the shareholders' equity at the opening, which are insignificant for this fiscal year.

Furthermore, we have also carried out a check of the information given in the Group Management Report, in accordance with the professional standards applicable in France. We have no comment to make as to the good faith of such and its consistency with the consolidated financial statements.

Paris La Défense and Sceaux, 20 March 2002.

José DAVID

KPMG Audit
KPMG SA Department

Mair FERERES
Partner

A low-angle, upward-looking photograph of a modern building's internal structure, showing a complex network of white steel beams and glass panels. A large, thin, light-colored circle is superimposed over the image, partially overlapping the text. The overall color palette is light and airy, with a slight purple tint at the bottom.

FINANCIAL STATEMENTS OF THE HOLDING COMPANY 2001

BALANCE SHEET

ASSETS (net values)

In thousands of Euro

notes

As at 31/10/2001

As at 31/10

2000

1999

FIXED ASSETS

INTANGIBLE FIXED ASSETS

2.1 / 2.2

Franchises, patents, licences and trademarks

7

3

23

Goodwill

1 906

1 982

2 058

TANGIBLE FIXED ASSETS

2.1 / 2.2

Land

145

145

145

Buildings

6 569

4 935

4 574

Machinery and equipment

1

0

0

Other tangible fixed assets

125

113

48

Outstanding assets

0

318

609

FINANCIAL INVESTMENTS

Other participating interests

2.3

222 106

209 820

201 529

Loans

2.5

749

747

12

Other long-term investments

2.5

155

144

77

FIXED ASSETS

231 763

218 207

209 075

CURRENT ASSETS

Down-payments to suppliers

15

16

0

Trade receivables

2.5

6 595

5 876

5 073

Other receivables

2.5

109 364

112 663

78 544

Transferable securities

5 885

5 337

13 385

Cash at bank and in hand

328

578

5 601

Expenses to be paid

2.5 / 2.10

101

70

227

TOTAL CURRENT ASSETS

122 288

124 540

102 831

PREPAYMENT AND ACCRUED INCOME

Gains on foreign transactions

3

3

0

TOTAL ASSETS

354 054

342 750

311 906

LIABILITIES AND SHAREHOLDERS' EQUITY	notes	As at 31/10/2001	As at 31/10	
<i>In thousands of Euro</i>			2000	1999
Share capital – individual capital (86 195 paid) (1)		86 195	85 412	85 412
Paid-in capital		54 285	54 285	54 285
Revaluation of assets above historical costs (2)			294	294
Legal reserve		4 965	3 510	2 792
Statutory reserves (3)		5 566	5 566	5 566
Other reserves		3 054	3 542	3 542
Retained earnings		25 827	8 500	5 187
INCOME (PROFIT OR LOSS)		27 778	29 107	14 355
SHAREHOLDERS' EQUITY	2.12	207 670	190 216	171 433
Contingency provisions	2.4		0	
Loss provisions	2.4	407	230	230
CONTINGENCY AND LOSS PROVISIONS		407	230	230
Bank loans and overdraft (4)	2.6	65 772	40 876	63 665
Various loans and debts	2.6	1 382	10 484	10 591
Down-payments from clients			116	0
Trade notes and accounts payable	2.6	228	136	391
Taxes and social charges	2.6	1 511	1 128	1 173
Liabilities to fixed asset suppliers and equivalent	2.6	77		221
Other liabilities	2.6	76 717	99 086	64 185
Prepaid income	2.6	20	27	18
TOTAL (5)		145 707	151 853	140 243
Gains on foreign exchange transactions		270	452	0
TOTAL LIABILITIES		354 054	342 750	311 906
(1) Revaluation differentials included in the share capital		294		
(2) Including revaluation special reserves (1959) Free revaluation differentials Revaluation reserves (1976)			294	294
(3) Including statutory reserves on long-term capital gains		5 566	5 566	5 566
(4) Including current bank lending and banks credit balance		2 474	791	15 545
(5) Prepaid debt and income (- 1 year)		109 127	120 347	96 275

INCOME STATEMENT

INCOME STATEMENT		notes	As at 31/10/2001	As at 31/10	
<i>In thousands of Euro</i>				2000	1999
Sales of goods held for resale			336	68	29
Sales of services			6 054	5 390	4 623
NET TURNOVER	2.14		6 390	5 458	4 652
Excess provisions charged, amortisation & expenses transfers (1)			68	66	340
OPERATING INCOME (2)			6 458	5 524	4 992
Stock purchased (and customs duties)			335	65	28
Other purchases and external expenses			1 740	2 054	1 822
Taxes and equivalent			392	303	224
Wages and salaries			1 255	957	965
Social security contributions			527	392	395
Assets depreciation allowances			419	407	328
Contingency and loss provisions - Current assets			1 032	168	247
OPERATING EXPENSES			5 700	4 345	4 009
OPERATING INCOME			758	1 179	984
Investments income (3)	2.15		31 966	36 580	18 487
Gains on other investments and receivables (3)			55		
Other interests and equivalent income (3)			3 173	2 371	1 925
Excess provisions charged and expenses transfers				404	0
Gains on sales short-term investments			319	296	32
FINANCIAL INCOME			35 513	39 650	20 445
Depreciation allowances and provisions			222	1 208	10
Interest and equivalent expenses (4)			10 082	11 629	7 030
Foreign exchange losses			6	0	0
INTEREST AND OTHER FINANCIAL CHARGES			10 310	12 838	7 041
TOTAL FINANCIAL INCOME			25 203	26 812	13 404
ORDINARY INCOME BEFORE TAX			25 961	27 991	14 388
Extraordinary gains in operations			26	29	39
Proceeds of assets sold and other capital gains			96	0	0
Excess provisions charged and expenses transfers			320	0	152
EXTRAORDINARY INCOME			442	29	192
Extraordinary operating expenses			606	236	36
Book value of assets sold and other capital losses			100	595	171
Depreciation and regulated provisions			178		7
EXTRAORDINARY EXPENSES			884	831	214
EXTRAORDINARY INCOME	2.16		(442)	(802)	(22)
Employee profit-sharing			0	0	0
Income tax expenses	2.17		(2 258)	(1917)	11
TOTAL INCOME			42 413	45 203	25 629
TOTAL EXPENSES			14 635	16 097	11 274
PROFIT OR LOSSES			27 778	29 107	14 355
(1) Including expenses transfers			68	66	8
(2) Including letting income			635	583	514
(3) Including related companies income			35 137	38 693	1 768
(4) Including related companies interests			6 516	7 896	4 758
Including donations			38		

NOTES TO THE FINANCIAL STATEMENTS OF THE HOLDING COMPANY

Notes to the balance sheet prior to the allocation of the fiscal year ended 31 October 2001 that totals 354 054 K€ and to the income statement, as listed, with gains for 42 413 K€ and an income for 27 778 K€.

The fiscal year is of 12 months commencing on 1 November 2000 and ending on 31 October 2001.

This fiscal year has particularly been marked by the following events :

- Take-over of the company that owns the Savoy in Cannes, a 4 stars luxury hotel with 106 rooms.
- Completion of the refurbishment of the Villa - Le Havre and start up of our subsidiary there.

The events occurring since the end of the fiscal year, have been the buy-out of the Contrexeville casino together with the buildings and the assets of three hotels in Contrexeville as well as the spa centres in Contrexeville and Vittel.

The following notes and tables are an integral part of the annual statements.

There have been no changes in the accounting principles and methods.

1 - ACCOUNTING PRINCIPLES AND METHODS

The balance sheet and the income statement of Groupe Partouche S.A. are drawn up in accordance with the French regulations and accounting principles usually applied in France. Thus they have been drawn up as provided by:

- the new P.C.G. 1999 adopted by the CRC on the 29 April 1999 (Rule n°9903),
- the Act n°83 353 of 30 April 1983,
- the Decree n°83 1020 of 29 November 1983.

The main applied principles and methods are as follows:

1.1 Intangible fixed assets

The intangible fixed assets related to software licences are written off over a period of 1 to 3 years.

A long lease charge is written off over a period of 30 years.

1.2 Tangible fixed assets

Tangible fixed assets are stated in the balance sheet at their historical acquisition costs (increased by the acquisition expenses), at their production cost or at their contribution value in respect of the SA SIHB fixed assets following the merger.

We use a straight-line method of depreciation over the expected useful lives of the assets.

Buildings	20 to 50 years
Fixtures and fittings	5 to 8 years
Plant and Equipment	5 to 10 years
Vehicles	5 years
Office and computer equipment	2 to 5 years

1.3 Long-term investments

The long-term investments are stated in the balance sheet at acquisition cost off incidental expenses or at production cost. When the inventory value is less than the gross value, a depreciation provision of the difference is accounted. The inventory value of the investments is based on their useful value or on the market value. This value can notably be determined through :

- the calculation of the net asset in the subsidiary's last fiscal year, adjusted with the potential capital-gains (business, buildings, deferred tax...),
- forecast elements such as the profitability prospects,
- stock market prices.

The securities brought by SA SIHB are valued at their contribution value during the merger.

1.4 Receivables

Receivables are recorded at their face value. A depreciation provision is set up whenever their inventory value, based on the likelihood of their being recovered, is less than book value.

1.5 Receivables and debts in foreign currencies

During the fiscal year, the receivables in foreign currencies are converted on the basis of the exchange rate at the transaction day. At the end of the fiscal year, these receivables are converted on the basis of the closing rate, the difference with the amounts previously accounted for, are listed in the "unrealised gains or losses on foreign exchange transactions". The losses on foreign exchange are provided for in the loss provisions heading.

1.6 Cash Flow

The transferable securities are recorded in the balance sheet at their acquisition cost.

If the acquisition cost is less than the negotiation value at the end of the fiscal year, a depreciation provision of the difference is accounted for.

NOTES TO THE FINANCIAL STATEMENTS OF THE HOLDING COMPANY

1.7 Dividends

Dividends received from the foreign subsidiaries are accounted for at their net amounts after levies.

1.8 Contingency and loss provisions

The tax and social litigation are provided for, up to the risks estimated on the basis of the available elements at the end of the fiscal year.

1.9 Distinction between ordinary income and extraordinary income

The extraordinary gains and expenses of the consolidated income statement include the exceptional elements resulting from ordinary activities, and the extraordinary elements. The exceptional elements resulting from ordinary activities are those the achievement of which is not related to the current operations of the company, either because their amounts or incidence are of abnormal nature or because they very rarely occur.

2 - ADDITIONAL INFORMATION IN RESPECT OF THE BALANCE SHEET AND THE INCOME STATEMENT *(in thousands of Euro)*

2.1 Note on the intangible and tangible fixed assets

	Gross value of fixed assets beginning of fiscal year	Revaluation during fiscal year	Increase	Acquisition creation, item to item transfer
Set-up, research and development costs				
Other intangible fixed assets	2 328			8
Land	145			
Buildings on own land	5 833			2 034
Machinery and equipment	0			1
Other equipment, fixtures and fittings	28			37
Vehicles	74			0
Office and computer equipment, furniture	100			12
Outstanding tangible fixed assets	318			0
TOTAL	6 498			2 084

	Decrease by Assignment or item to item transfer Withdrawal from use	Gross value fixed assets End of fiscal year	Legal revaluation initial value End of fiscal year
Set-up, research and development costs			
Other intangible fixed assets	8	2 328	
Land		145	
Buildings on own land	96	7 771	
Machinery and equipment		1	
Other equipment, fixtures and fittings		65	
Vehicles		74	
Office and computer equipment, furniture	0	112	
Outstanding tangible fixed assets	318	0	
TOTAL	414	8 168	

The movements in the outstanding fixed assets relate to the works at the Villa Maritime - Le Havre.

2.2 Amortisation

	Beginning of the fiscal year	Situations and movements during the fiscal year		End of the fiscal year
		Appropriation during the fiscal year	Decrease during the fiscal year	
Set-up and research costs				
Other intangible fixed assets	343	78	5	416
Land				
Buildings on own land	898	304		1 202
Buildings on third party land				
Construction machinery and equipment				
Machinery and equipment	0	0		0
Other equipment, fixtures and fittings	10	6		16
Vehicles	8	15		23
Office and computer equipment, furniture	71	16	0	87
Recoverable packing and other				
Outstanding tangible fixed assets				
Down-payments				
TOTAL	987	341	0	1 328
GRAND TOTAL	1 330	419	5	1 744

2.3 Participating interests

	Gross value beginning of fiscal year	Acquisition, item to item transfer
Participating interests valued by equivalence		
Other participating interests	211 074	12 393
Other fixed securities		
Loans and other long-term investments	982	15
TOTAL	212 056	12 408

	Decrease By item to item transfer	Assignment or Withdrawal from use	Gross value fixed assets End of fiscal year	Legal revaluation initial value End of fiscal year
Participating interests valued by equivalence				
Other participating interests			223 467	
Other fixed securities				
Loans and other long-term investments		1	996	
TOTAL	0	1	224 463	

The main movements of the fiscal year are explained by the following elements:

- Groupe Partouche has taken over the company that owns the Savoy Hotel in Cannes for 12 348 K€.
- Receivables for 303 035 GBP was bought-out for 1 GBP and accounted for at acquisition cost.
- The company "Villa du Havre" was created and is developing a restaurant at Le Havre.

NOTES TO THE FINANCIAL STATEMENTS OF THE HOLDING COMPANY

2.4 Provisions

	Beginning of the fiscal year	Increase Appropriation	Decrease Recovery	End of the fiscal year
PROVISIONS				
For litigation				
For losses on foreign exchange				
For tax	230	178		408
TOTAL	230	178	0	408
Participating interests	1 254	107		1 361
On financial investments	91			91
Other depreciation provisions	320	1 147	320	1 147
TOTAL	1 665	1 254	320	2 599
GRAND TOTAL	1 895	1 432	320	3 007
<i>Including:</i>				
<i>Operating allowances and recoveries</i>		1 032		
<i>Financial allowances and recoveries</i>		222		
<i>Extraordinary allowances and recoveries</i>		178	320	
<i>Securities depreciation allowances</i>				

The tax provisions mainly concerns the tax adjustments for the years 1981 to 1984.

The provisions for financial investments are constituted by our 79,80 % participating interest in the SA ELYSEE PALACE HOTEL, fully provided for 1 240 K€ considering its net situation.

This is also the case in respect of our 99,72 % participating interest in SA CASINO DE MORSEBRONN LES BAINS provided for 75 K€.

Receivables in current account related to these two subsidiaries are provided for 8 K€ (EPH) et for 86 K€ (Morsbronn).

Our receivables in current account related to Groupe Partouche Romania is provided for up to 20 K€, i.e. for the total of its nominal amount.

The other provisions concern third party receivables.

2.5 Receivables maturity dates

	Gross amount	1 year maximum	More than 1 year
Loans	749	1	748
Other long-term investments	247		247
Other trade receivables	6 595	6 595	
Employee accounts payable	6	6	
Income tax expenses	484	78	406
VAT	461	461	
Other tax	3	3	
Various receivables	34	34	
Group and associates	100 572	100 572	
Various debtors	8 951	8 951	
Expenses to be paid	101	101	
GRAND TOTAL	118 203	116 802	1 401
Repayments collected during the fiscal year	4		
Loans repayments collected during the fiscal year	1		

2.6 Receivables maturity dates

	Gross amount	1 year maximum	More than 1 year 5 years maximum	More than 5 years
Bank loans and overdrafts	66 071	29 235	36 836	
Various loans and debts	1 382	1 341		41
Suppliers and accounts payable	228	228		
Employee and accounts payable	63	63		
Social security and other social organisations	100	100		
State and other public authorities:				
Income tax expenses	233	233		
VAT	1 045	1 045		
Other tax	69	69		
Various				
Liabilities to fixed assets and accounts payable	77	77		
Group and associates	76 430	76 430		
Other liabilities	287	287		
Prepaid income	20	20		
GRAND TOTAL	146 005	109 128	36 836	41
Bank loans subscribed during the fiscal year	36 442			
Bank loans repaid during the fiscal year	12 890			

2.7 Various elements in the balance sheet's headings

In respect of the linked companies (participating links)	Amount
Participating interests	211 811
Trade receivables, accounts payable	6 486
Other receivables	100 615
Loans, various financial debts	25
Suppliers	4
Other liabilities	76 272

The information related to the financial charges & gains are included in the cross-references n° 3 and 4 of the income statement.

2.8 Income to be collected

As included in the following headings of the balance sheet	Amount
Accrued interest	5
OTHER LONG-TERM INVESTMENTS	5
Trade receivables to be invoiced	6 437
TRADE RECEIVABLES AND ACCOUNTS PAYABLE	6 437
Income to be collected	25
OTHER RECEIVABLES	25
TOTAL	6 467

2.9 Charges to be paid included in the following headings of the balance sheet

	Amount
Bank loans and overdrafts	-79
Trade notes and accounts payable	39
Tax and social charges	127
Other liabilities	243
Accrued interests on overdrafts	12
TOTAL	342

2.10 Expenses to be paid

	Amount
Operating expenses to be paid	101
TOTAL	101

2.11 Prepaid income

	Amount
Prepaid operating income	20
TOTAL	20

NOTES TO THE FINANCIAL STATEMENTS OF THE HOLDING COMPANY

2.12 Movements in the shareholders' equity

Shareholders' equity headings	Balance as at 31/10/00	Appropriation income 2000	Balance after appropriation	Share capital transition to the Euro	Fiscal year movements	Balance as at 31/10/01
Share capital	85 412		85 412	783		86 195
Paid-in capital, merger	7 881		7 881			7 881
Production allowance	46 404		46 404			46 404
Revaluation differentials	294		294	-294		0
Legal reserves	3 510	1 455	4 965			4 965
Statutory reserves	5 566		5 566			5 566
Other reserves	3 542		3 542	-489		3 053
Retained earnings	8 500	17 327	25 827			25 827
Income	29 107	-29 107	0		27 778	27 778
NET SITUATION	190 216	-10 325	179 891	0	27 778	207 669

Dividends payable to shareholders are 10 325 K€.

2.13 Breakdown of the share capital (in Euro)

Shares' category	At closing	Number of shares issued during the fiscal year	Nominal value	Total
Ordinary shares	6 156 774		14	86 194 836

2 738 shares are held by the company and are provided for 0,1 K€.

These shares are stated in the transferable securities.

2.14 Breakdown of Net Turnover

	France	Export	Total
Group's fees	5 293	107	5 400
Various re-invoicing			0
Rents	639	15	654
Various sales	336		336
TOTAL	6 268	122	6 390

2.15 Participating interests - financial income

	Amount
Distribution of subsidiaries' dividends	31 966
TOTAL	31 966

2.16 Breakdown of Extraordinary income and expenses

	Extraordinary expenses	Extraordinary income
Third party loans loss	495	
Tangible assets assignments	96	96
Convictions and indemnification	55	
Losses on various down-payments	38	
Losses on lump-sum tax	8	
Penalties over debts and tax	6	
Various	8	
Tax provisions (see note 2.4)	178	
Provisions recovery on third party loans (see note 2.4)		320
Fees adjustment		9
Hedging rate adjustment		8
Various		9
TOTAL	884	442

2.17 Breakdown of income tax

	Income before tax	Tax	Net income after tax
Ordinary income	25 961	-2 100	28 062
Extraordinary income	-441	-158	-283
ACCOUNTED INCOME	25 520	-2 258	27 778

2.18 Financial commitments

Commitments given	Amount
Collateral	22 550
Guaranteed Banks debts	13 848
TOTAL	36 398
Including those related to subsidiaries	28 872
Commitments received	Amount
Commitments - return to better fortune	8 676
TOTAL	8 676
Including those related to subsidiaries	8 676

2.19 Other information

At the closing of the fiscal year, the current quantity of Groupe Partouche's shares given in collateral amounted to 20.200 shares. This guarantee has been taken up after the prepayment of a loan on 7 November 2002.

2.20 Average workforce

	Staff
Executives	16
Employees	13
TOTAL	29

2.21 Management remuneration

The remuneration allocated to the Executive and Supervisory Boards amounted to 491 K€.

2.22 Retirements bonuses commitments

Due to their insignificant amount, no provisions were accounted for in respect of retirement bonuses commitments.

2.23 Various information

At the end of the fiscal year, the current amount of variable rates loans represented 78% of the total loans.

A partial hedging covering the induced risk due to variable rate loans, has been set up for 20 907 K€. This risk is hedged up to by an economic interest group for 7 622 K€.

Two new swap for rates have been concluded for a total amount of 13 285 K€ at closing date.

The Groupe Partouche heads a fiscal integration comprising in its scope the SA Casino de Saint-Amand les Eaux, SA Casino des 4 Saisons, SA Baratem and SA Cannes Balnéaire companies.

2.24 Deferred tax

	Amount
Tax to be paid on:	
Pre-deducted expenses	-3
Prepaid tax on:	
Temporarily non deductible expenses (to be deducted on the following fiscal year)	5
Taxed income to be deducted later on	452
NET DEFERRED TAX	454

NOTES TO THE FINANCIAL STATEMENTS OF THE HOLDING COMPANY

3 - SUBSIDIARIES AND PARTICIPATING INTERESTS (in K€)

Name	Head office	Share capital	Shareholder's equity	Held quota-share	Cashed dividends	Shares value		Loans Down-payments	Collateral	Turnover	Income
						Gross	Net				
SUBSIDIARIES (+50%)											
LCLP FRANCE SA ET CIE	Cannes	11 010	(9 365)	100,00 %		4 421	4 421	4 599	3 969	11 125	(1 873)
HOLDING GARDEN PINEDE	Paris	15 417	(1 649)	100,00 %		336	336	2 654		0	(144)
SCI LES THERMES	Aix-en-Provence	150	(3 187)	100,00 %		0	0	10 789		833	(44)
CENTRE FORMATION PROFESSIONNEL CASINOS (12-00)	Forges-les-Eaux	8	17	100,00 %		8	8	31		313	14
VILLA DU HAVRE	Le Havre	40	0	100,00 %		40	40	131		247	(97)
SANDTON TRADING LIMITED (09-01)	Dublin	0	52	100,00 %		12 348	12 348			99	55
SCI DE LA RUE ROYALE	Paris	136	(4)	99,99 %		534	534			45	17
SOCIETE DU CASINO DE ST AMAND LES EAUX	St-Amand-les-Eaux	17 786	3 384	99,99 %	4 572	18 371	18 371	4 914		17 235	7 524
SOCIETE CANNES BALNEAIRE	Cannes	35 707	(22 805)	99,97 %		35 673	35 673			3 905	(579)
SOCIETE DU GRAND CASINO DE CABOURG	Cabourg	300	5	99,96 %		564	564	1 499		4 169	146
GRAND CASINO DE BEAULIEU	Beaulieu	150	(7)	99,90 %		152	152	942		6 145	0
GROUPE PARTOUCHE INTERNATIONAL	Bruxelles	144	(928)	99,90 %		153	153	37 513		8	(3 776)
GRAND CASINO DE LA TRINITE SUR MER	La Trinité-sur-Mer	75	(34)	99,84 %		76	76	136		0	(113)
SATHEL	La Tour Salvagny	323	22 923	99,80 %	13 692	93 522	93 522			41 957	40 996
CASINO DE MORSBRONN LES BAINS	Paris	38	(112)	99,72 %		75	0	86		0	(10)
CASINO D'ALVIGNAC	Gramat	38	(30)	99,68 %		29	29	49		0	(17)
JEAN METZ	Berck-sur-Mer	80	345	99,20 %	756	3 025	3 025			4 394	1 126
NUMA	Boulogne-sur-Mer	80	407	98,60 %	752	3 457	3 457			3 659	1 319
SOCIETE IMMOBILIERE DE LA TOUR SA DU CASINO ET DES BAINS DE MER	La Tour Salvagny	8	765	98,00 %		7	7		2 041	337	144
LYDIA INVEST	Dieppe	396	410	97,58 %	1 041	4 587	4 587			6 761	624
LYDIA INVESTISSEMENT	Le Bacares	152	(523)	97,30 %		443	443	678	147	645	(226)
CASINO DES 4 SAISONS	Le Touquet	2	(97)	97,00 %		991	991	805		115	(265)
HOTEL INTERNATIONAL DE LYON	Le Touquet	392	975	96,53 %	736	5 513	5 513	745		4 406	1 114
LE TOUQUET'S	Lyon	300	(2 039)	94,00 %		287	287	21 846	12 196	11 652	153
CASINOS DE VICHY	Calais	92	402	90,05 %	686	4 668	4 668			5 293	1 180
ELYSEE PALACE EXPANSION	Vichy	240	329	79,92 %		371	371			3 607	441
ELYSEE PALACE HOTEL	Vichy	40	(100)	79,84 %		1 310	1 310	3 637		0	(62)
Soc CHEMINS FER ET HOTELS MONTAGNE PYRENEES	Vichy	40	(0)	79,80 %		1 240	0	38		0	(51)
FORGES THERMAL	Vichy	701	15	76,05 %		599	599			71	84
SOCIETE FRANCAISE DE CASINOS	Forges-les-Eaux	15 550	8 575	58,75 %	806	11 207	11 207			32 624	7 490
	Paris	2 200	418	50,00 %		4 573	4 573	589	5 862	380	715
PARTICIPATING INTERESTS (10 TO 50%)											
SOCIETE DU CASINO MUNICIPAL D'AIX THERMAL	Aix-en-Provence	2 160	4 285	38,59 %	8 832	2 772	2 772	4 920		21 653	6 422
SOCIETAT DE L'OCI DELS PYRENEUS	Escaldes Engordany	38	NC	33,00 %		13	13			NC	NC
BASTIDE II RICH TAVERN	Montpellier	46	NC	25,00 %		46	0			NC	NC
PALAVAS INVESTISSEMENT	Palavas-les-Flots	7	(1 101)	10,00 %		122	122	948		155	7
OTHER											
CASINO DE PALAVAS	Palavas-les-Flots	330	2 700	9,06 %	94	183	183			9 429	2 523
FERMIERE DU CASINO MUNICIPAL DE CANNES (10-00)	Cannes	2 055	39 107	5,17 %		11 415	11 415			30 445	(1 039)
EDEN BEACH CASINO	Juan-les-Pins	1 056	2 922	1,40 %		155	155			14 850	1 789
HOTEL DU GOLF	La Tour Salvagny	0	0	1,00 %		0	0	227		1 839	0
SOCIETE THERMALE DE PLOMBIERES LES BAINS (09-01)	Plombières-les-Bains	186	NC	0,10 %		2	2			NC	NC
SEMTEE (12-00)	Escaldes Engordany	25 243	(6 196)	0,71 %		181	181			8 911	1 374

4 - CAPITAL-GAINS TO BE TAXED (in K€)

Contributing company:	SIHB Company absorbed by Cie Fermière des Eaux (that became Groupe Partouche)
Beneficiary company:	Groupe Partouche 141 bis, Rue de Saussure - 75017 Paris
Nature of the operation:	Merger
Date of the merger:	Extraordinary General Meeting held on 29 July 1994 resolving a retroactive merger as at 1 November 1993

CAPITAL-GAINS ON NON REDEEMABLE PROPERTIES**LAND**

Description	Tax & accounting value	Production value	Capital-gains retained tax
Land at Bagnoles	5	145	140
Cliff	1	0	-1

PARTICIPATING INTERESTS

Description	Number of share	Tax & accounting value	Production value	Capital-gains retained tax
SA CASINO DES 4 SAISONS 26, rue St-Jean - 62520 Le Touquet	22 050	1 210	5 488	4 278
SA EDEN BEACH CASINO Boulevard Edouard Baudouin - 06160 Juan-les-Pins	924	305	155	-150
SA FORGES THERMAL Avenue des Sources - 76440 Forges-les-Eaux	6 210	2 310	9 072	6 762
SA JEAN METZ Avenue du Général de Gaulle - 62600 Berck-sur-Mer	992	27	3 025	2 998
SA NUMA 37, rue Félix Adam - 62200 Boulogne-sur-Mer	4 930	113	3 457	3 344
SA CASINO ET BAINS DE MER DIEPPE Boulevard de Verdun - 76200 Dieppe	4 600	991	3 825	2 834
SA SATHÉL 200, avenue du Casino - 69890 Tour de Salvagny	10 008	10 965	29 104	18 139
SA LE TOUQUET'S 59, rue Royale - 62100 Calais	1 801	210	4 668	4 458

SUB-TOTAL

16 131	58 794	42 663
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RECEIVABLES

Description	Tax & accounting value	Production value	Capital-gains retained tax
JATEK	778	778	0

CAPITAL-GAINS ON REDEEMABLE PROPERTIES (*)**BUILDINGS**

Description	Tax & accounting value	Production value	Capital-gains retained tax
Granville Cellar	0	1	1
Bagnoles building	3	1 303	1 300
Saint-Placide Apartment	19	76	57

SUB-TOTAL

22	1 380	1 358
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TOTAL

16 937	61 097	44 160
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(*) The reintegration of the capital-gains on amortisable properties has been carried out.

NOTES TO THE FINANCIAL STATEMENTS OF THE HOLDING COMPANY

5 - INCOME OF THE LAST FIVE FISCAL YEARS (in k€)

Description	Fiscal year ended 31/10/97 (12 months)	Fiscal year ended 31/10/98 (12 months)	Fiscal year ended 31/10/99 (12 months)	Fiscal year ended 31/10/00 (12 months)	Fiscal year ended 31/10/01 (12 months) After approval by GM
I - SHARE CAPITAL AT THE END OF THE FISCAL YEAR					
Share capital	85 412 067	85 412 067	85 412 067	85 412 067	86 194 836
Number of existing ordinary shares	6 156 774	6 156 774	6 156 774	6 156 774	6 156 774
Number of existing shares with priority dividends (with no voting rights)					
Maximum number of shares to be issued					
By bonds					
By exercising the right of subscription					
II- TRANSACTIONS AND INCOME OF THE FISCAL YEAR					
Turnover off tax	3 255 737	3 824 148	4 652 215	5 458 286	6 389 823
Income before tax, employee profit-sharing, depreciation and regulated provisions	8 060 885	15 309 873	14 472 008	28 568 608	27 050 690
Income tax	32 585	0	10 671	-1 917 269	-2 258 379
Employee profit-sharing for the fiscal year					
Net income	7 729 172	15 340 302	14 354 595	29 106 885	27 778 435
Distributed income	8 447 347	9 385 941	10 324 536	10 324 536	4 925 419
III- INCOME PER SHARE					
Income after tax deductions, employee profit-sharing, but before depreciation and regulated provisions	1,37	2,44	2,35	4,95	4,76
Income after tax deductions, employee profit-sharing, depreciation and regulated provisions	1,22	2,44	2,33	4,73	4,51
Dividends attributable per share	1,37	1,52	1,68	1,68	0,80
IV- EMPLOYEE					
Average workforce during the fiscal year	20	22	19	23	29
Payroll for the fiscal year	871 555	930 692	965 246	957 194	1 255 243
Fringe benefits paid for the fiscal year	341 399	372 008	394 882	391 610	526 781

REPORT OF THE STATUTORY AUDITORS ON THE COMPANY'S FINANCIAL STATEMENTS

AS AT 31 OCTOBER 2001

Dear Sir, Dear Madam,

In accordance with the Terms of the assignment your Annual General Meeting entrusted us, we submit to you our report for the fiscal year ended 31 October 2001 in respect of :

- the auditing of the annual financial statements of Groupe Partouche S.A., drawn up in Euro, and attached to this report,
- the specific verifications and information as provided by the Law.

Your Executive Board has drawn up the financial statements. It is our responsibility, on the basis of our audit, to express an opinion on the said financial statements.

1. OUR OPINION ON THE ANNUAL FINANCIAL STATEMENTS

We have performed our audit in accordance with the professional standards that are applicable in France; such standards require the necessary steps be taken in order to ascertain that the consolidated financial statements do not incorporate any significant misstatements. An audit consists of examining, on a test basis, the evidence supporting the data contained in the said financial statements. It also consists of an evaluation of the accounting principles that have been followed and of the material estimates used in drawing up the financial statements, and of an evaluation of

the overall manner in which they are presented. We consider that our checks provide a reasonable basis for the opinion expressed below.

We certify that the annual financial statements, drawn up in compliance with the accounting rules and principles applicable in France, have been prepared in accordance with the law and in good faith, and give a true and fair view of the net assets and of the financial position, as well as of the profits or losses of the whole at the end of the fiscal year.

2. SPECIFIC VERIFICATIONS AND INFORMATION

We have also carried out, in accordance with the professional standards that are applicable in France, the specific verifications as provided by the Law.

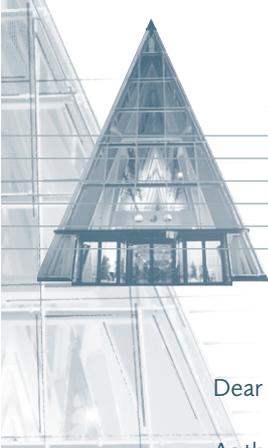
We have no comment to make as to the good faith and the consistency with the annual financial statements, of the information give in the Management report and in the documents addressed to the shareholders in respect of the financial situation and the annual statements. As provided by the Law, we ensured that the various information related to the acquisition of interests and to the take-overs as well as those related to the shareholders' identity, have been included in the Management report.

Paris La Défense and Sceaux, 20 march 2002.

José DAVID

KPMG Audit
KPMG SA Department

Mair FERERES
Partner



SPECIAL REPORT OF THE STATUTORY AUDITORS ON THE REGULATED AGREEMENTS

Dear Sir, Dear Madam,

As the Statutory Auditors of your company, we report to you on the regulated agreements.

According to the provisions of Article 225-88 of the Commercial Code, we have been informed about the agreements that have been authorised by your Supervisory Board.

It does not fall to us to search for the potential existence of other agreements, but to convey to you, on the basis of the information we received, the essential characteristics and terms of the agreements that have been transmitted to us, without having to express our opinion as to their utility and validity. It falls to you, as provided by Article 117 of the Decree of 23 March 1967, to determine the interest deriving from these agreements in order to approve them.

We have performed our audit in accordance with the professional standards, such standards require the necessary steps be taken in order to ascertain that the information we received are in compliance with the documents in which they are stated.

1. AGREEMENTS PREVIOUSLY AUTHORISED, ENTERED INTO DURING THIS FISCAL YEAR

1.1 Debt forgiveness - Lydia Invest S.A.

Your company has granted the Lydia Invest S.A., a debt forgiveness for 3 000 000 FRF. This agreement includes a clause of return to better fortune and was recorded in the current account that your company holds on Lydia Invest SA. Supervisory Board meeting held on 2 May 2001.

The members of the Supervisory Board and of the Executive Board who dealt with this issue, are:

- Isidore Partouche;
- Patrick Partouche;
- Groupe Partouche represented by Hubert Benhamou.

1.2 Debt forgiveness - H.I.L. S.A.

Your company has granted H.I.L. S.A., a debt forgiveness for 13 500 000 FRF. This agreement includes a clause of return to better fortune and was recorded in the current account that your company holds on H.I.L. SA.

Supervisory Board meeting held on 30 March 2001.

The members of the Supervisory Board and of the Executive Board who dealt with this issue, are:

- Isidore Partouche;
- Patrick Partouche;
- Groupe Partouche represented by Hubert Benhamou;
- Hubert Benhamou;
- Ari Sebag;
- Richard Partouche;
- Katy Zenou.

1.3 Fiscal integration agreement

Your company resolved to include in the fiscal integration scope that it heads, the SA Sathel, SA Société de Casino Municipal d'Aix Thermal, SA Eden Beach Casino, SA Société du Casino Municipal de Royat, SA Casino de Palavas, SA Casino Le Lion Blanc, SA Société Anonyme du Casino et des Bains de Mers, SA Grand Casino de Beaulieu, SA Jean Metz, SA Numa, SA Société de Brasseries et Casinos "Les Flots Bleus" and SARL SEK.

This fiscal integration agreement is performed as provided by the Article 223 A of the General Tax Code and is in force until the 31 October 2004.

Supervisory Board meeting held on 20 October 2001.

The members of the Supervisory Board and of the Executive Board who dealt with this issue, are:

- Isidore Partouche;
- Patrick Partouche;
- Hubert Benhamou;
- Richard Partouche;
- Ari Sebag;
- Katy Zenou.

Moreover and as provided by the Decree of 23 March 1967, we have been informed that the following agreements have been carried out during the fiscal year.

2. AGREEMENTS ENTERED INTO DURING PREVIOUS FISCAL YEARS AND CARRIED OUT DURING THIS FISCAL YEAR

2.1 Associates current accounts

Various associates, natural persons, have kept or increased their capital outlay in current accounts. These amounts have not been remunerated for this fiscal year.

2.2 Debt forgiveness - Casino de Vichy S.A.

Your company has granted, on 31 August 1996, the Société d'Exploitation du Casino de l'Elysée Palace S.A. (SAECEP) a debt forgiveness including a clause of return to better fortune, for 5 084 104 FRF.

This company has transferred the whole of her fortune to the company Casinos de Vichy SA, as provided by Article 1844-5, paragraph 3 of the Civil Code. The latter is now holding the rights and commitments of SAECEP and notably the clause of return to better fortune.

During the previous fiscal years, the clause of return to better fortune was applied, thus allowing the current account to be reconstituted for 3 826 232 FRF.

As at 31 October 2001, being that the required conditions for the application of said clause were not met, no repayment occurred during this fiscal year.

2.3 Debt forgiveness - Grand Casino de Cabourg S.A.

Your company has granted, during the fiscal year ended 31 October 1999, the company Grand Casino de Cabourg SA two debt forgiveness for 15 000 000 FRF and 4 449 876 FRF respectively. Both agreements include a clause of return to better fortune and were recorded in the current account that your company holds on Grand Casino de Cabourg SA.

Moreover and during the fiscal year ended 31 October 2000, your company has granted the company Grand Casino de Cabourg SA. a debt forgiveness for 1 096 007 FRF. This agreement includes a clause of return to better fortune and was recorded in the current account that your company holds on Grand Casino de Cabourg SA.

Being that the required conditions for the application of said clause were not met, no repayment occurred during this fiscal year.

2.4 Debt forgiveness - Grand Casino de Beaulieu S.A.

During the fiscal year ended 31 October 2000, your company has granted the company Grand Casino de Beaulieu SA a debt forgiveness for 17 000 000 FRF. This agreement includes a clause of return to better fortune and was recorded in the current account that your company holds on Grand Casino de Beaulieu SA.

During this fiscal year, as the required conditions for the application of said clause were met, a financial income was recorded for 6 550 000 FRF allowing thus the reconstitution of the current account accordingly.

2.5 Debt forgiveness - Lydia Invest S.A.

During the fiscal year ended 31 October 2000, your company has granted the company Grand Casino de Beaulieu SA., a debt forgiveness for 11 093 216 FRF. This agreement includes a clause of return to better fortune and was recorded in the current account that your company holds on Grand Casino de Beaulieu SA.

2.6 With SA Financière Partouche

The company SA Financière Partouche has been authorised to enter into the agreement of centralised management of the cash flow of the group's companies together with the SA Groupe Partouche, at the same terms and conditions as your company's subsidiaries.

Your company empowered the SA Financière Partouche to adhere to the G.I.E. G.A.P. (Assets Liabilities Management) in order to optimise, for it and/or its subsidiaries, the management of rate risk. As a result, your company accounted a financial income for 17 390 FRF.

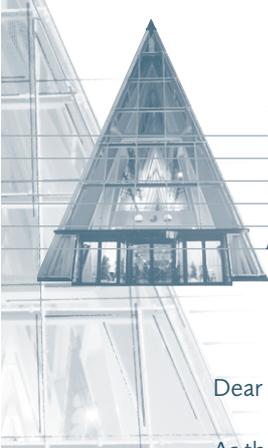
Your company entered into a lease agreement with SA Financière Partouche for a period of nine years, commencing on 1 March 1998 and ending on 28 February 2007. This lease covers the letting of your company's head office that is located 141 bis, rue de Saussure – 75017 Paris, for an annual rent of 700.000 FRF.

Paris La Défense and Sceaux, 20 march 2002.

José DAVID

KPMG Audit
KPMG SA Department

Mair FERERES
Partner



SPECIAL REPORT OF THE STATUTORY AUDITORS

ANNUAL GENERAL MEETINGS HELD ON 9 APRIL 2002

Dear Sir, Dear Madam,

As the Statutory Auditors of the company Groupe Partouche SA and in accordance with the terms of the assignments provided by the Commercial Code, we report to you on the operations on which you will have to express an opinion.

1. ISSUING OF TRANSFERABLE SECURITIES GIVING ACCESS, IMMEDIATELY OR IN THE FUTURE, TO THE COMPANY'S SHARE CAPITAL, WITH THE RETENTION OF THE PREFERENTIAL RIGHT TO SUBSCRIBE (THIRTEENTH RESOLUTION)

In accordance with the terms of the assignment provided notably by Articles L. 225-150, L. 225-161, L. 225-169, L. 228-92 and L. 228-95 of the Commercial Code, we report to you on the project of issuing various transferable securities, on which you will have to express an opinion. The increase in the share capital that would result, immediately or in the future, from the issuing of such transferable securities, shall not exceed 500 millions Euro.

Your Executive Board suggests that you grant it a delegation, for a period of 26 months, to set up the methods of this issuing. We have examined the draft of the issuing, in accordance with the professional applicable standards.

As the amounts in respect of the issuing prices, the basis of conversion, exchange, repayment, the prices of the rights to subscribe have not been set up; we express no opinion on the final conditions concerning the achievements of these operations.

As provided by Article 155-2 of the Decree of 23 March 1967, we will draw up a complementary report during the realisation of such by your Executive Board.

2. ISSUING OF VARIOUS TRANSFERABLE SECURITIES WITH THE REMOVAL OF THE PREFERENTIAL RIGHT TO SUBSCRIBE (FOURTEENTH RESOLUTION)

In accordance with the terms of the assignment provided notably by Articles L. 225-135, L. 225-150, L. 225-161, L. 225-169, L. 228-92 and L. 228-95 of the Commercial Code, we report to you on the project of issuing reserved shares and/or various transferable securities. The increase in the share capital that would result, immediately or in the future, from the issuing of such transferable securities, shall not exceed 500 millions Euro. Your Executive Board suggests that you grant it a delegation, for a period of 26 months, to set up the methods of this issue and also to remove your preferential right to subscribe.

We have examined the draft of the issuing, in accordance with the professional applicable standards.

Subject to a subsequent examination of the conditions of this issuing we have no comment to make as to the methods of determining the issuing price as given in the report of the Executive Board.

As the amounts in respect of the issuing prices, the basis of conversion, exchange, the prices of the rights to subscribe have not been set up, we express no opinion on the final conditions concerning the achievements of these operations and consequently, on the proposition submitted to your approval, in respect of the removal of the preferential right to subscribe, the principle of which enters, nevertheless, in the logic of such operations.

As provided by Article 155-2 of the Decree of 23 March 1967, we will draw up a complementary report during the realisation of such by your Executive Board.

3. INCREASE RESERVED TO EMPLOYEES (SIXTEENTH RESOLUTION)

In accordance with the terms of the assignment provided by Article L. 225-135 of the Commercial Code, we report to you on the project of the capital increase reserved to those employees working in your company or in the companies related to it, as provided by Article L. 225-180 of the Commercial Code and who adhered to a company's savings plan. This increase is submitted to your approval in accordance with the provisions of Article L. 225-129 of the Commercial Code and of to Article L. 443-5 of the Employment Code.

Your Executive Board suggests that you grant it a delegation, for a period of five years, to set up the methods of this issue and to remove your preferential right to subscribe, being specified that the nominal amount of such capital increases shall not exceed 5 860 000 €.

We have examined the draft of the capital increase, in accordance with the professional applicable standards.

Subject to a subsequent examination of the conditions of this capital increase, we have no comments to make as to the methods of determining the issuing price as given in the report of the Executive Board.

As the amounts in respect of the issuing prices have not been fixed, we express no opinion on the final conditions under which this capital increase will be achieved and consequently, on the proposition submitted to your approval, in respect of the removal of the preferential right to subscribe, the principle of which enters, nevertheless, in the logic of such operations. As provided by Article 155-2 of the Decree of 23 March 1967, we will draw up a complementary report during the realisation of the capital increase by your Executive Board.

Paris La Défense and Sceaux, 20 March 2002.

José DAVID

KPMG Audit
KPMG SA Department

Maïr FERERES
Partner

DRAFT RESOLUTIONS

SUBMITTED TO THE ANNUAL GENERAL MEETING AND THE EXTRAORDINARY
GENERAL MEETING HELD ON TUESDAY 9 APRIL 2002 AT 10.00 A.M.

WITHIN THE JURISDICTION OF THE ANNUAL ORDINARY GENERAL MEETING

First resolution: Approval of the financial statements - Final Discharge

The General Meeting, having heard the reports of the Executive Board, the Supervisory Board and the Statutory Auditors, approves the inventory and the annual financial statements, namely the balance sheet, the income statement and the notes to the accounts as at 31 October 2001, as submitted to them, as well as the transactions reflected in these statements and summarised in these reports. The General Meeting therefore grants final discharge to the members of the Executive Board in respect of the performance of their duties for the said fiscal year.

Second resolution: Appropriation of earnings

The General Meeting resolves that the net profit for the fiscal year of 27 778 435 € be appropriated as follows:

Net income for the year	27 778 435 €
5% to the legal reserve	1 388 922 €
Balance	26 389 513 €
Dividends payable to shareholders i.e.	4 925 419 € 0,80 € per share
The balance is appropriated in full to "balance brought forward", which thus amounts to 47 291 103 €.	21 464 094 €

The net dividend per share is 0,80 € and the corresponding tax credit 0,40 € for the shareholders entitled thereto, i.e. a gross dividend of 1,20 €.

This dividend may be payable at the end of this Meeting and by 30 April 2000 at the latest.

Should the company, after payment of said dividends, hold some of its own shares, the sums related to unpaid dividends would be appropriated in full to "balance brought forward". As provided by the Law, the General Meeting formally records that the amount of dividend distributed for the last three years, together with the corresponding tax credits, were as follows:

Year ended	Net dividend in FRF & in Euro	Dividend tax credit in FRF & in Euro
31 October 1998	61 567 740,00 F 9 385 941,46 €	30 783 870,00 F 4 692 970,73 €
31 October 1999	67 724 514,00 F 10 324 535,60 €	33 862 257,00 F 5 162 267,80 €
31 October 2000	67 724 514,00 F 10 324 535,60 €	33 862 257,00 F 5 162 267,80 €

Third resolution: Approval of the consolidated financial statements

The General Meeting having heard the report of the Executive Board and the Statutory Auditors approves the consolidated financial statements, i.e. the balance sheet, the income statement and the notes as at 31 October 2001, as well as the transactions stated in these statements and summarised in these reports.

Fourth resolution: Agreements referred to in Article L. 225-86 of the Commercial Code

The General Meeting having heard the special report of the Statutory Auditors on the agreements referred to in Article L. 225-86 of the Commercial Code, and ruling on this report, hereby approves in succession each of the agreements set out therein.

Fifth resolution: Establishment of a procedure enabling the company to repurchase its own shares pursuant to Article L. 225-209 of the Commercial Code

The General Meeting having heard the report of the Executive Board, authorises the Executive Board for a period of eighteen months, pursuant to the provisions of Article L. 225-209 and following of the Commercial Code, to acquire a number of shares representing 0,5 % of the number of shares comprising the share capital, that is to say, based on the present share capital, 30 783 shares.

This authorisation puts an end to the procedure granted by the General Meeting held on 2 April 2001.

The General Meeting resolves that these acquisitions may be used, inter alia, for the purposes of:

- systematically regulating the share price against any adverse trend,
- buy outs or assignments based on the market situation.

Purchases, assignments and transfers of shares may be carried out by any means.

The General Meeting resolves to fix at 100 euros the maximum share price and the minimum price of an assigned share shall not be lower than 50 euros.

These prices shall be fixed subject to adjustments relating to any transactions involving the capital of the company. The total amount shall not exceed 3 078 300 €.

The General Meeting grants full powers to the Executive Board to carry out these transactions, set up the necessary terms and conditions, enter into any agreements and complete any legal formalities.



DRAFT RESOLUTIONS

SUBMITTED TO THE ANNUAL GENERAL MEETING AND THE EXTRAORDINARY GENERAL MEETING HELD ON TUESDAY 9 APRIL 2002 AT 10.00 A.M.

Sixth resolution: Renewal of the term of office of Mr. Isidore Partouche member of the Supervisory Board

The General Meeting having observed that the term of office of Mr Isidore Partouche comes to an end this day, hereby resolves to renew it for a new period of six fiscal years ending at the date of the Ordinary General Meeting that will rule on the financial statements as at 31 October 2007.

Seventh resolution: Renewal of the term of office of Mr. Marcel Partouche member of the Supervisory Board

The General Meeting having observed that the term of office of Mr Marcel Partouche comes to an end this day, hereby resolves to renew it for a new period of six fiscal years ending at the date of the Ordinary General Meeting that will rule on the financial statements as at 31 October 2007.

Eight resolution: Renewal of the term of office of the Mr. Maurice Partouche member of the Supervisory Board

The General Meeting having observed that the term of office of Mr Maurice Partouche comes to an end this day, hereby resolves to renew it for a new period of six fiscal years ending at the date of the Ordinary General Meeting that will rule on the financial statements as at 31 October 2007.

Ninth resolution: Renewal of the term of office of Mr. Maurice Sebag member of the Supervisory Board

The General Meeting having observed that the term of office of Mr Maurice Sebag comes to an end this day, hereby resolves to renew it for a new period of six fiscal years ending at the date of the Ordinary General Meeting that will rule on the financial statements as at 31 October 2007.

Tenth resolution: Renewal of the term of office of Mr. Gaston Ghrenassia member of the Supervisory Board

The General Meeting having observed that the term of office of Mr Gaston Ghrenassia comes to an end this day, hereby resolves to renew it for a new period of six fiscal years ending at the date of the Ordinary General Meeting that will rule on the financial statements as at 31 October 2007.

Eleventh resolution: Setting the Directors' fees

The General Meeting resolves to set the directors' fees of the members of the Supervisory Board at a global amount of

24 500 €. This decision will be applied for the current fiscal year and following until a new decision is taken by the General Meeting.

Twelfth resolution: Powers

The General Meeting grants full powers to the bearer of copies or extracts of this minute to complete any legal formalities.

WITHIN THE JURISDICTION OF THE EXTRAORDINARY GENERAL MEETING

Thirteenth resolution: Resolution to increase the share capital with retention of the preferential right

The General Meeting, having formally noted the report of the Executive Board and the special report of the Statutory Auditors and pursuant to the provisions of the Commercial Code and in particular Paragraph 3 of Article L. 225-129-III:

1) Resolves to delegate full powers to the Executive Board, to increase the share capital, on one or more occasions, at the dates and terms it deems it fit:

a/ by issuing either in Euro, or in foreign currencies or in any other unit of account established by reference to a set of currencies, shares, bonds and/or transferable securities giving access, immediately or in the future, at any or fixed date, to the Company shares, whether this is by subscription, conversion, exchange, repayment, presentation of a warrant or in any other manner, excluding priority shares;

b/ and/or by incorporating to the share capital, share premiums, reserves, income or other, the capitalisation of which is legally possible and in order to increase the nominal value of the existing shares by way of free allocations.

2) Resolves that the delegation so conferred shall be valid for a period of twenty-six months from this Meeting.

3) Resolves that the amounts of the authorised issuing, should the Executive Board decide to utilise such a delegation, shall be as follows :

The nominal amount of the shares to be issued under this delegation shall not exceed 500 000 000 € and consequently the capital increase shall not exceed 586 194 836 €.

This limit includes the global nominal value of the additional shares possibly to be issued, in order to preserve, as provided by the Law, the rights of the holders of transferable securities that give rights to the shares.

Moreover, the global nominal amount of the issued shares, either directly or not will be attributed to this limit, as provided by the following resolution.

4) Should the Executive Board decide to use this delegation as referred to in 1/a/ above:

a/ resolves that the shareholders with irreducible rights to subscribed will have priority on the so issued shares,

b/ confer however, to the Executive Board, the right to set up a reducible right of subscription,

c/ resolves that if the irreducible rights to subscribe, and if necessary, the reducible ones, have not absorbed the whole of the issue of transferable securities, the Executive Board may avail itself, in the order that it shall determine, of one and/or another of the powers hereafter:

- to restrict the issue to the amount of the subscriptions, provided this reaches at least three-quarters of the issue decided upon,
- allot without restriction all or part of the securities that have not been subscribed to,
- put on the French or International market, all or part on the non subscribed securities.

d/ formally notes and resolves, if needed, that this delegation involves as of right, for the benefit of the holders of transferable securities, the waiver by the shareholders of their preferential right of subscription to shares to which such transferable securities give entitlement.

5) Delegates full powers to the Executive Board, subject to the conditions established by law, for the purposes, inter alia, to issue the transferable securities for the capital increase, record the capital increase and amend the Memorandum and Articles of Association accordingly.

The Executive Board has also full powers to:

- on its sole initiative, set off the costs of increases in the share capital against the amount of the premiums relating thereto and deduct from this amount the sums that are needed to bring the legal reserve up to one-tenth of the new capital after each increase;
- when incorporating to the share capital, share premiums, reserves, income or other, to resolve, if needed, that rights to fractions will not be negotiable and that the relevant shares will be sold, the sums deriving from the sale being allotted to the holders of the rights within the period provided by the Law;
- to delegate to its chairman the necessary powers to achieve or to suspend the increase of the capital within the limits and conditions formerly set up by the Executive Board.

6) This delegation cancels and replaces the delegation of same nature conferred by the Extraordinary General Meeting held on 2 April 2001.

Fourteenth resolution: Decision to increase the share capital with removal of the preferential right of subscription

The General Meeting, having taken formal note of the report of the Executive Board and of the Special Report of the Statutory Auditors and pursuant to the provisions of the Commercial Code and in particular of Article L. 225-129-III:

1) Resolves to delegate to the Executive Board the powers necessary for the purpose of effecting the capital increase, on one or more occasions, in the proportion and at the times that it shall see it fit, on the French or international markets, by a public call for capital, either in euros, or in foreign currencies, or in any other unit of account established by reference to a set of currencies:

- by an issue of shares and of warrants and/or of transferable securities giving access, immediately and/or in the future, at any or fixed date, to shares in the company, whether this is by subscription, conversion, exchange, repayment, presentation of a warrant or in any other manner, excluding priority shares; with the stipulation that such securities may be issued for the purposes of remunerating securities that could be contributed to the Company as part of a public offer in respect of securities meeting the terms laid down in Article L. 225-148 of the Commercial Code.

2) Establishes at twenty-six months from this General Meeting the term of validity of this delegation.

3) Resolves to limit the amount of authorised issues that the Executive Board might avail itself of under this delegation, as follows:

The global nominal amount of the shares that may be so issued shall not exceed the ceiling of 500 000 000 € and consequently the capital so increased shall not exceed 586 194 836 €.

This limit includes the global nominal value of the additional shares possibly to be issued, in order to preserve, as provided by the Law, the rights of the holders of transferable securities that gives rights to the shares.

Moreover, the global nominal amount of the issued shares, either directly or not will be attributed to this limit, as provided by the previous resolution.

4) Resolves to remove the preferential right of subscription of shareholders to securities subject of this resolution, leaving however to the Executive Board the power to confer upon shareholders, for a period and in accordance with the terms that it shall establish and for all or part of an issue that has been made, a priority of subscription which does not give rise to negotiable rights and that should be in proportion with the number of securities already held by each shareholder, and it could possible be completed by a reducible subscription; with the stipulation that following the priority period, the



DRAFT RESOLUTIONS

SUBMITTED TO THE ANNUAL GENERAL MEETING AND THE EXTRAORDINARY GENERAL MEETING HELD ON TUESDAY 9 APRIL 2002 AT 10.00 A.M.

securities that have not been subscribed to, will be put on the public market.

5) Takes formal note that this delegation shall involve for the benefit of the holders of transferable securities, a waiver by shareholders of their preferential right of subscription to the securities to which such transferable securities give entitlement.

6) Resolves that the sum due or that may subsequently be due to the company for each of the shares within the framework of this delegation, after taking into account, the issuing price of subscription bonds, shall be at last equal to the average of the share rate recorded during ten consecutive business days on the stock market, chosen from the last twenty business days preceding the commencement of the issue of the shares and/or securities which give entitlement thereto, after adjustment of that average taking into account the beneficial date.

7) Resolves that the Executive Board shall have full powers to implement, subject to the terms established by the Law, this delegation for the purposes *inter alia* to issue the transferable securities for the capital increase, record the capital increase and amend the Memorandum and Articles of Association accordingly.

The Executive Board has also full powers to:

- in the event of an issue of securities for the purposes of remunerating securities contributed as part of a public exchange offer:

- establishes a list of the securities contributed to the exchange,

- establishes the terms of issue, the exchange parity and the amount of the cash balance to be paid,

- determines the terms of issue.

- on its sole initiative, set off the costs of increases in the share capital against the amount of the premiums relating thereto and deduct from this amount the sums that are needed to bring the legal reserve up to one-tenth of the new capital after each increase;

- to delegate to its chairman the necessary powers to achieve or to suspend the increase of the capital within the limits and conditions formerly set up by the Executive Board.

8) This delegation cancels and replaces the delegation of same nature conferred by the Extraordinary General Meeting held on 2 April 2001.

Fifteenth resolution: Authorisation to use the delegations in the case of a public cash or exchange offer

The General Meeting resolves that the delegations conferred in the two previous resolutions can be used by the Executive Board, in case of a public cash or exchange offer, over the securities issued by the company, provided that the decision

to increase the share capital is taken prior to the submission of the offer.

This authorisation is valid until the date of the Ordinary Annual General Meeting that will have to rule on the financial statements as at 31 October 2002.

Sixteenth resolution: Authorisation to a capital increase reserved to employees

The General Meeting, having taken formal note of the report of the Executive Board and of the Special Report of the Statutory Auditors and pursuant to the provisions of the Commercial Code and in particular of Articles L. 225-129-VII and L. 225-138, as well as Article L. 443-5 of the Employment Code:

1) Resolves to authorise the Executive Board, on its sole initiative, to increase the capital on one or more occasions, by the issue of shares in cash and, if needed, by attributing free of charges shares or other securities giving access to the capital, reserved to those employees and executives of the company and of the companies related to it as provided in Article L. 225-180 of the Commercial Code that adhered to a company savings plan or to a company's employee voluntarily savings plan.

2) Remove in favour of said persons, the preferential right of subscription to the shares that could be issued as provided by this authorisation.

3) Establishes at five years from this General Meeting the term of validity of this delegation.

4) Resolves that the global nominal amount of such increase or increases, achieved by the utilisation of this delegation, shall not exceed 5 860 000 €.

5) Resolves that the price of the shares to be issued, in pursuance of 1/ of this delegation, shall not be less than 20% or 30 % in the case of a company's employee savings plan, of the average first share prices during the twenty business days preceding the Executive Board's decision in respect of the capital increase and of the issuing of the corresponding shares, nor higher than this average.

6) Resolves that the Executive Board shall have full powers to implement this delegation take all necessary measures and complete any legal formalities.

The General Meeting, having taken formal note of the report of the Executive Board, confirms and validates the terms and conditions of the sixth, seventh and eight resolutions adopted during the general meeting held on 2 April 2001.

Seventeenth resolution: Powers

The General Meeting grants full powers to the bearer of copies or extracts of this minute to complete any legal formalities.

A low-angle, upward-looking photograph of a modern building's internal structure, showing a complex network of white metal beams and glass panels. A large, thin, light-colored circle is superimposed over the image, partially enclosing the text. The background is bright and slightly hazy, suggesting a high-ceilinged atrium or sky.

GENERAL INFORMATION ON THE COMPANY AND ITS CAPITAL

EXECUTIVE AND SUPERVISORY BOARDS

IDENTIFICATION OF THE EXECUTIVE AND SUPERVISORY BOARDS

Members of the Executive Board

MEMBERS OF THE EXECUTIVE BOARD

OTHER SIGNIFICANT POSITIONS HELD WITHIN THE GROUP

Hubert BENHAMOU

Chairman of the Executive Board

- Managing Director - Director SA FINANCIÈRE PARTOUCHE
- Chairman General Manager - SA HÔTEL INTERNATIONAL DE LYON - Hilton Lyons
- Chairman General Manager - CASINO LE LION BLANC (Saint Galmier)
- Chairman General Manager - CASINO LES FLOTS BLEUS (La Ciotat)
- Manager - SNC EGH PART-DIEU - Le Méridien Part-Dieu
- Member of the Executive Committee - SAS SOCIÉTÉ FRANÇAISE DE CASINOS

Patrick PARTOUCHE

General Manager

Member of the Executive Board

- Managing Director - Director SA FINANCIÈRE PARTOUCHE
- Chairman General Manager - SA HOLDING GARDEN PINEDE
- Chairman General Manager - SA EDEN BEACH CASINO (Juan-les-Pins)
- Chairman General Manager - SA GRAND CASINO DE BEAULIEU (Beaulieu)
- Chairman General Manager - SA CANNES BALNEAIRE - Palm Beach Casino (Cannes)
- Chairman General Manager - SA GRAND CASINO DE DJERBA (Tunisia)
- Chairman - GROUPE PARTOUCHE BAHAMAS LTD
- Director - SA SOCIÉTÉ D'EXPLOITATION DU CASINO DE CONTREXEVILLE
- Manager - SARL SEK

Ari SEBAG

General Manager

Member of the Executive Board

- Managing Director - Director SA FINANCIÈRE PARTOUCHE
- Chairman General Manager - SA CASINO ET BAINS DE MER DE DIEPPE
- Chairman General Manager - SA FORGES THERMAL (Forges-les-Eaux)
- Chairman General Manager - SA GRAND CASINO DE LA TRINITÉ-SUR-MER
- Director - SA SOCIÉTÉ D'EXPLOITATION DU CASINO DE CONTREXEVILLE
- Director - SA HIL
- Director - SA HOLDING GARDEN PINÈDE (Juan-les-Pins)
- Director - SA GRAND CASINO DE CABOURG
- Director - SA CANNES BALNÉAIRE
- Chairman - SAS LA VILLA DU HAVRE
- Chairman - SA CASINO NUEVO SAN ROQUE (Spain)

Richard PARTOUCHE

General Manager

Member of the Executive Board

- Managing Director - Director SA FINANCIÈRE PARTOUCHE
- Chairman General Manager & Director - SA SATHÉL (Casino de la Tour de Salvagny)
- Chairman General Manager - CASINO DE SAINT-AMAND-LES-EAUX (Nord)
- Member of the Executive Committee - SAS SOCIÉTÉ FRANÇAISE DE CASINOS
- Director - SA CASINO DE LA TRINITÉ-SUR-MER (La Trinité-sur-Mer)
- Director - SA GROUPE PARTOUCHE INTERNATIONAL (Brussels)
- Director - SA GRAND CASINO DE LYON (Lyons)
- Director - SA GRAND CASINO DE DJERBA (Tunisia)

Katy ZENOU

General Manager

Member of the Executive Board

- Managing Director - Director SA FINANCIÈRE PARTOUCHE
- General Manager & Director - SA CASINOS DU TOUQUET (Le Touquet)
- Director - SA HÔTEL INTERNATIONAL DE LYON (Lyons)
- Director - SA CASINO DE LA TRINITÉ-SUR-MER (La Trinité-sur-Mer)
- Director - SA GROUPE PARTOUCHE INTERNATIONAL (Brussels)
- Director - SA NUMA (Boulogne-sur-Mer)

The members of the Supervisory Board

MEMBERS OF THE SUPERVISORY BOARD OTHER SIGNIFICANT POSITIONS HELD WITHIN THE GROUP

Isidore PARTOUCHE

Chairman of the Supervisory Board

- Chairman General Manager - SA FINANCIÈRE PARTOUCHE
- Chairman General Manager - SA C.H.M. (Vichy)
- Chairman General Manager - SA DE L'ÉLYSÉE PALACE (Vichy)
- Chairman General Manager - SA SOCIÉTÉ D'EXPLOITATION DU CASINO DE CONTREXEVILLE)
- Chairman - SA GROUPE PARTOUCHE INTERNATIONAL (Brussels)
- Director - SA SATHÉL (Casino de la Tour de Salvagny)
- Director - SA HOLDING GARDEN PINÈDE (Paris)
- Director - SA CASINO DE SAINT-AMAND-LES-EAUX (Saint-Amand)
- Director - SA FORGES THERMAL (Casino de Forges-les-Eaux)
- Director - SA GRAND CASINO DE CABOURG (Casino de Cabourg)
- Director - SA CANNES BALNÉAIRE - Palm Beach Casino
- Director - SA EDEN BEACH CASINO (Casino de Juan-les-Pins)
- Director - SA HÔTEL INTERNATIONAL DE LYON - Hilton Lyons

Marcel PARTOUCHE

*Vice President
of the Supervisory Board*

- Managing Director - Director - SA JEAN METZ (Berck-sur-Mer casino)
- Director - SA NUMA (Boulogne-sur-Mer casino)
- Director - SA CASINOS DU TOUQUET

Maurice SEBAG

Member of the Supervisory Board

- Chairman General Manager - SA NUMA (Boulogne-sur-Mer)
- Director - SA CASINOS DU TOUQUET
- Director - SA JEAN METZ (Berck-sur-Mer casino)
- Director - SA SOCIÉTÉ DU CASINO MUNICIPAL DE ROYAT
- Director - SA CASINO NUEVO SAN ROQUE (Spain)

Maurice PARTOUCHE

Member of the Supervisory Board

- Chairman General Manager - SA LE TOUQUET'S (Calais casino)
- Director - SA CASINOS DU TOUQUET
- Director - SA CASINO DE SAINT-AMAND-LES-EAUX

Gaston GHRENASSIA

alias Enrico MACIAS

Member of the Supervisory Board

No other significant position within the Group.

The Supervisory Board, which met 13 times during the 2001 fiscal year, organised its work through three committees: the Audit, the Finance and the Remuneration Committees.

The various committees meet under the chairmanship of Mr. Isidore PARTOUCHE, who co-ordinates and runs them with the collaboration of Mr. Hubert BENHAMOU, Chairman of the Executive Board, together with Mr. Patrick PARTOUCHE and Mr. Ari SEBAG, both Managing Directors and members of the Executive Board.

The committees can rely, through the members of the Executive Board, on the collaboration and involvement of the various staff departments of the Group. In connection with their tasks, they may use or bring in, as authorised by the Supervisory Board, the outside specialists or advisors they deem necessary.

Audit Committee

The Audit Committee effects an annual and half-yearly examination of the company and consolidated financial statements and periodically examines internal control procedures and more generally all the procedures for auditing accounting or management that are in force within the Group. It also acts as an intermediary between the Supervisory Board and the Statutory Auditors of the Group.

Finance Committee

The task of the Finance Committee is to examine planned disposals of real estate or investments, or the setting-up of guarantees or securities, so as to enable the Supervisory Board issue the necessary authorisations prescribed by the Law.

Remuneration Committee

The Remuneration Committee's task is to determine the remuneration of the members of the Executive Board, and to obtain, through the Executive Board, information relating to the remuneration and status of the Directors of the Group.

REMUNERATION ALLOTTED TO THE EXECUTIVE AND SUPERVISORY BODIES

The total remuneration paid to the Executive and Supervisory bodies during the fiscal year ended 31 October 2001 amounted to 490 789 Euro. No directors' fees were allotted to members of the Supervisory Board.

REGULATED AGREEMENTS

The regulated agreements as provided by Article L. 225-86 of the Commercial Code, entered into during this fiscal year, are presented in the special report of the Statutory Auditors, at page 70 of this report.

The Supervisory Board meeting held on 2 November 1998 resolved to exclude from the special report, the agreements that does not come under the process provided by Article L. 225-86 of the Commercial Code, to the extent that they concern current operations and have been concluded under normal conditions as provided by Article L. 225-87 of the Commercial Code.

Agreements entered into with companies the share capital of which is fully held by Groupe Partouche, are considered current and concluded under normal conditions. These agreements are meant for internal organisation such as debt forgiveness, loans, collateral, reclassification of participation, service charges, allotment of overhead costs, fees.

INFORMATION ON ACTIVITIES

DESCRIPTION OF THE COMPANY AND ITS SUBSIDIARIES

Breakdown of turnover by main activities and geographical areas (in K€)

Breakdown of consolidated net turnover:

	France	Other countries	Total	
Games	200 530	8 678	209 208	72,01 %
Restaurants	35 759	2 523	38 282	13,18 %
Hotels	25 628	-	25 628	8,82 %
Tips-Gratuities	-	1 024	1 024	0,35 %
Discotheques	1 988	195	2 184	0,75 %
Entry fees to Gaming Rooms	1 859	227	2 086	0,72 %
Property Let	2 763	107	2 869	0,99 %
Other	9 129	132	9 261	3,19 %
TOTAL	277 657	12 886	290 543	100 %

Breakdown of turnover by main activities and by company (in K€)

Companies	Total	Games	Hotels	Restaurants	Other
SATHEL	41 927	36 649	190	4 140	948
FORGES THERMAL	32 583	23 846	3 516	3 917	1 303
AIX THERMAL	21 651	20 548	-	773	331
SAINT AMAND	17 235	16 191	-	851	193
EDEN BEACH CASINO	13 523	11 767	-	1 244	513
SA HIL	10 853	-	5 567	4 482	804
LCL FRANCE ET CIE	10 736	8 721	-	1 368	648
GARDEN BEACH HOTEL	9 976	-	7 295	2 039	641
CASINO ROYAT	9 483	8 818	-	466	199
CASINO PALAVAS	9 429	9 010	-	232	187
EGH PART DIEU	8 931	-	5 165	3 396	369
GCL	6 757	6 265	-	228	264
SACBM	6 729	5 416	117	989	207
CASINO LE LION BLANC	6 672	5 459	-	419	794
GRUISSAN	6 255	5 064	352	619	220
CASINO BEAULIEU	6 145	5 364	-	449	332
GRAND CAFE	5 969	4 799	-	1 074	96
KNOKKE (pôle Belge)	5 818	3 163	-	1 477	1 178
TOUQUET'S	5 293	4 865	-	334	95
JEAN METZ	4 394	3 951	-	443	-
CASINO DES 4 SAISONS	4 386	3 717	-	667	3
CASINO CABOURG	4 169	3 379	-	587	203
SA PALM BEACH	3 806	-	-	2 323	1 483
NUMA	3 649	3 559	-	66	24
CASINO VICHY	3 600	3 380	-	98	123
DES FLOTS BLEUS	3 464	3 341	-	91	32
DJERBA	3 254	2 361	-	658	235
SEMCG	3 101	-	-	-	3 101
CHATEL GUYON	2 898	2 615	-	235	47
AQUABELLA	2 871	-	1 858	836	177
CASINO SAN ROQUE	2 023	1 533	-	244	246
CASINO LE MIRAGE	1 882	1 738	-	144	-
HOTEL GOLF	1 836	-	840	898	98
BOURBOULE	1 619	1 400	-	218	0
MONTDORE	1 539	1 201	-	337	1
CASINO GRASSE	1 309	1 206	-	98	4
SPLendid	937	-	727	-	211
CBAP	868	-	-	-	868
SFDD	834	-	-	557	277
SA LE LYDIA	645	-	-	509	136
CAFE CARMEN	433	-	-	247	186
VILLA DU HAVRE	247	-	-	247	-
EPSA	175	-	-	65	110
THERM'PARK	170	-	-	-	170
SCI THERMES	139	-	-	-	139
PORT LA NOUVELLE	134	-	-	112	22
GRUPE PARTOUCHE	106	-	-	-	106
BARATEM	91	-	-	88	3
SCI RUE ROYALE	30	-	-	-	30
SED	28	-	-	17	11
CHM	23	-	-	-	23
AZT	-	-	-	-	-
SCI MONTDORE	6	-	-	-	6
SIHCT	2	-	-	-	2
SC CASINO GRASSE	0	-	-	-	0
BUCAREST	-91	-118	-	-	27
TOTAL	290 543	209 208	25 628	38 282	17 425

Description of the competitive environment

The casinos sector in France has shown a relatively recent trend towards concentration.

Of the 170 licensed casinos in France, more than 2/3 is operated by groups and the others by individuals.

The main groups are as follows:

Name of Groups	Number of casinos operated in France	Theoretical GGR 2001 in €
Groupe Partouche	25	355 403 937
Groupe Barrière	13	304 706 554
ACCOR Casinos	13	215 966 796
Groupe Européenne de Casinos	18	180 265 877
Groupe Tranchant	15	158 907 119
Groupe Moliflor Loisirs	15	156 415 873
Aaron / Didot Bottin	2	85 279 755
Groupe Hayot / Ernoult	4	45 758 832
Groupe Emeraude	7	44 146 978

Source: Syndicat des Casinos Modernes de France

Description of main clients

Beginning of the 1990s, French casinos experienced a real revolution due to the authorisation of operating slot machines.

Their potential clientele, which traditionally consisted of a happy few of high-income such as tradesmen, liberal professions, and people with independent means ready to play high stakes, now includes the whole of the working population who before would have bet on the horses or played the Lottery.

Consequently, casino attendance figures have seen exponential growth and the vast majority of clients have an average monthly gaming budget of a few hundred francs.

The clientele over 50 and retirees now constitutes the main segment. The steady growth in this slice of the population seems to be a guarantee of further expansion in the business.

Suppliers

The casino business is very heavily regulated.

All suppliers of gaming equipment and fittings are subject to an approval by the Minister of the Interior, ensuring that the draconian standards of compliance are met.

This applies, *inter alia*, to suppliers of slot machines (Bally France, Ludi), roulette cylinders (Caro), table game counters (Bourgogne and Grasset) and slot machine tokens (La Monnaie de Paris).

Description of human resources by categories (average workforce)

Categories	31/10/1999 (n - 2)	31/10/2000 (n-1)	31/10/2001 (n)
Management and Executives	186	242	296
Supervisors and technicians	128	137	142
Employees	2 200	2 849	3 110
Workers	111	113	109
TOTAL	2 625	3 341	3 657

The conversion into Euro in the casinos of the Partouche Group

A methodology was set up in order to enable all those concerned in the group, to be associated in the technical studies related to the renewal of the chips, to the upgrade of the processing equipment of the monies and to the logistic. Moreover a "Euro" committee was created and was in charge, amongst other duties, of the communication plan intended to inform the clientele.

As for the traditional games, it has been decided to fix, within the group, standards chip and coin, in respect of colours and design, with the same indication for all the establishments, in this case the Partouche Group's logo, besides the indications adapted to each casino.

As for the slot machines, the constraint of the technical update of the machines and of the coins processing equipment came on top of the renewal of the coins.

The number of "designations", that means the unit values of the authorised bets, has been reduced from seven (1 F, 2 F, 5 F, 10 F, 20 F, 50 F, 100 F) to five (10 cents, 20 cents, 50 cents, 1 and 2 Euro) as provided by Article 69-12 of the amended Order of 23 December 1959.

The issues related to the replacement of the coins in French francs by coins in Euro were the subject of a meticulous study in order to control the security and the relevant costs.

In fact, it was necessary to define the new coins' geometrical and physical characteristics, allowing the avoidance of mix-up, not only with the old coins in French francs but also with the units used in the competitors' casinos.

The conversion into Euro of the Partouche Group's subsidiaries has been achieved, for the major part, between the 7 and 15 January 2002.

The preparation work done upstream, has been very fruitful insofar as the process went off with no major problems and according to a timing adjusted to avoid the disruption of the operating activity.

The technical adjustments and data captures that have been supervised by both the Ministry of the Interior and the Ministry of the Treasury, did not lead to any comment.

The campaign of the conversion into Euro will end with the legal transition period (8 April 2002). During this period, the operators, as a derogation, can reconfigure their slot machines in respect of the rate of re-allocation and the values of bets.

By anticipation, the conversion into Euro of the bank accounts was carried out on 5 June 2001.

The conversion into Euro of our accountancy, payroll and office data was carried out, as planned during the 2000-2001 fiscal year.

The progressive transfer plan went on as expected, i.e.:

- Information to users.
- Transfer of the data bases.
- Progressive transfer of the data processing equipment.
- Opening of a new fiscal year drawn up in Euro as from 1 November 2001.

The conversion into Euro and the resulting costs benefited for a great part of the changes of the software and hardware equipment carried out during the switch to year 2000.

Adopting the Euro allowed a strong cohesion by standardising the processes and management systems of our subsidiaries.

Reduction in the labour time

All the group's establishments have complied with the legal obligations in respect of reducing the labour time.

The establishments have reduced their staff working hours on 1 January 2000, as a result of a programme initiated since several months. This switch is in keeping with the development of the companies, recruitment having essentially been carried out in order to answer the needs of an increase in the activities.

Work reorganisation was performed in a serene social context, thus confirming the strong ability of the Partouche Group to adapt to changes.

It is necessary to strengthen that the reorganisation of labour and the optimisation of the planning facilitated the growth management in the casinos activities.

ANALYSIS OF RISKS TO THE COMPANY

Foreign exchange risks

The activities of Groupe Partouche abroad are carried on through subsidiaries which operate in their local countries; the consolidated financial statements thus include nine foreign companies. Five companies are located in Belgium, one company in Morocco, one company in Tunisia, one company in Spain and one company in Romania. The whole represents only 4,44% of total turnover and the Group does not suffer any material foreign exchange risk. Moreover, the creation of a single European currency has reduced this risk since two casinos (in Spain and in Belgium) are concerned by this event. There is consequently no hedging of foreign exchange risk.

Legal risks

The Partouche Groupe has not, during the last fiscal year or since, been the subject of any proceeding that is likely to have a material impact on its financial position.

INVESTMENT POLICY

The investment flow achieved during the fiscal year 2001 essentially related to the completion of the construction works of the new casino in Aix-en-Provence and the acquisition of the Savoy hotel in Cannes.

During the next fiscal years and beyond the acquisition operation of the Compagnie Européenne de Casinos mentioned in the report of the executive board, the investment policy of the group will be focused on the refurbishment and renovation of the existing establishments, in order to offer new gaming conditions to our clientele, as well as on external growth. Among significant projects, the construction of a new casino at Saint-Amand, inspired by the Pasino concept already realised in Jerba (Tunisia) and Aix-en-Provence.

The will of the group to remain an active partner on the French gaming sector should also result by the completion of various projects, presently under review such as the creation of the casino of La Trinité-sur-Mer or Alvernac, or the implementation of more important establishments in major cities.

Thus excluding the operation of the Compagnie Européenne de Casinos, the projected investments planned over the next three fiscal years will amount to 30 to 40 million Euro.

EXTRAORDINARY EVENTS AND DISPUTES

The dispute over ownership of the land of which SA CANNES BALNEAIRE is the long-term tenant until 2027, gave rise to a Court decision at first instance, ordering a stay of the proceedings concerning the title to this land. The claimant joint owners' association appealed against this decision. Our subsidiary Cannes Balnéaire should not be directly affected by this dispute and thus can carry on its activity that started in 1928.

On the other hand, the dispute that arose between our subsidiary HIL and SOGEA Company in respect of penalties of delays on acceptance have seen no major development. The procedure is still in Appeal.

The risks related to current fiscal litigation with certain subsidiaries are estimated on the basis of the available elements at the end of this fiscal year.

Generally, there is no dispute or arbitration that is likely to have an appreciable impact on the financial position, the business, the net assets or the income of the Company or of the Group.

GENERAL INFORMATION ON THE GROUP

Description of the Group

The Partouche Group operates 30 casinos. 26 in France and 4 abroad.

72% of Group's turnover is achieved from gaming, which remains the dominant activity.

The 30 casinos of the Partouche Group are broken down as follows:

FRANCE

Regions	Location/Communes
North/Pas-de-calais	Saint-Amand-les-Eaux, Boulogne-sur-Mer, Le Touquet, Calais, Berck-sur-Mer
Upper Normandy	Forges-les-Eaux, Dieppe
Lower Normandy	Cabourg
East	Contrexéville
Rhone-Alps	La Tour de Salvagny, Lyon, Saint-Galmier
Auvergne	Vichy (Elysée Palace et Grand Café), Royat, La Bourboule, Le Mont-Dore, Châtel-Guyon
Languedoc - Roussillon	Gruissan
Hérault	Palavas-les-Flots
Provence – Alps - French Riviera	Cannes, Juan-les-Pins, Beaulieu, Aix-en-Provence, La Ciotat, Grasse

ABROAD

Country	Location
BELGIUM	Knokke le Zoute
TUNISIA	Djerba
SPAIN	San Roque
MOROCCO	Agadir

Internal organisation of the Group

SA Groupe Partouche is the holding company of a set of companies whose business is mainly oriented to leisure, casinos, restaurants, dancing and bars. It is the parent company, listed on the Premier Marché of the PARIS Stock Exchange (SICOVAM code 5354).

Groupe Partouche assumes a management role for the whole Group, and all of its resources are devoted to running and managing the subsidiary companies. It provides its subsidiaries with services listed in a Head Office service agreement. Such services are, inter alia, financial services, marketing, technical assistance, staff training and recruitment, administrative services, legal support and secretarial services, financial management services, accounting support and central purchasing.

The fixed remuneration paid by each subsidiary to Groupe Partouche is calculated in terms of a fixed amount based on 2% of tax-exclusive turnover. For the fiscal year ended 31 October 2001, the total amount received in this regard was 5 400 K€ excluding taxes.

Company performance-related pay

There has to date been no company performance-related pay or profit-sharing contract for employees within SA Groupe Partouche.

Number and duration of casino operation concessions

A casino operation concession in France never lasts more than 18 years. Today, the Partouche Group has 26 indirect or direct subsidiaries that hold both a concession contract and a ministerial licence to operate a casino.

Three establishments are presently under renewal: Saint-Amand-les-Eaux, Forges-les-Eaux and Vichy.

Two demands are under study at the Ministry of the Interior and concerns the reopening of the casino at Port-Barcarés and the creation of a casino at La Trinité-sur-Mer. Moreover, a new demand for the creation of the Alvignac casino, will be submitted during the current fiscal year

Last, the Partouche Group has been selected for the tender procedure of the future casino in Le Havre.

GENERAL INFORMATION ON THE COMPANY AND ITS CAPITAL

GENERAL INFORMATION ON THE COMPANY

Company name (Clause 2 of the Memorandum and Articles of Association)

The name of the company is Groupe Partouche SA - Logo G.P.

Head office (Clause 4 of the Memorandum and Articles of Association)

The head office is located in Paris (75017) at 141 bis, rue de Saussure.

Nationality

The company is governed by the French legislation.

Juridical type

The company is a limited liability company with an Executive Board and a Supervisory Board, governed by the Commercial Code and the Decree of 23 March 1967.

Term (Clause 5 of the Memorandum and Articles of Association)

The term of the company was initially fixed at 31 October 2008. The extraordinary general meeting held on 27 April 1994 extended it by 50 years. It will expire in year 2058, except for early dissolution or extension as provided by the memorandum and articles of association.

Purpose (Clause 3 of the Memorandum and Articles of Association)

The purpose of the company in France and all other countries is:

Administrative, financial and accountancy management of all the present or future companies mainly in the entertainment, hotels and gaming sectors.

Participating interests of all types in these companies.

Assisting these companies in improving their growth by all types of services.

Any buy-outs on the French and foreign markets.

Acquisition and assignments of real estate and personal properties

And in general all types of industrial and commercial operations related to:

The creation, the acquisition, the rent, the leasing of all types of goodwill, letting, establishment, operation of all types of properties, goodwill in respect of any of the above mentioned sectors of activity.

Acquisition, operation or assignment of any process and patents related to these activities.

Direct or indirect participating interests in any type of financial real estate or personal property operations or trades that could be related to the above purpose or any other connected purpose of the same kind.

Companies' Register

The company is registered under number 588 801 464 RCS PARIS.

APE code

741 J.

Fiscal year

The fiscal year commences on 1 November and ends on 31 October.

Appropriation and allocation of earnings (Clause 40 of the Memorandum and Articles of Association)

I - The net earnings are constituted by the net income of the fiscal year, less the overhead costs and any other contingency provisions.

II - The net earnings are appropriated as follows:

1/ 5% are deducted from the net profit after the offset, if needed, of previous losses, in order to constitute the legal reserves as provided by the Law, until these reserves equal one tenth of the share capital.

2/ The net earnings to be allocated are constituted by the net profit of the fiscal year, less previous losses reserves as provided by the Law, and plus the earnings brought forward. The general meeting offsets, after that, the amounts necessary to optional, ordinary or extraordinary reserves or to balance brought forward.

The resulting balance, if any, is allocated among all shareholders proportionally to their paid-in non depreciated amounts.

However and except in the case of capital decrease, no payment to shareholders is carried out, if as a result, the amount of the net assets is or becomes less than the amount of the share capital increased by the reserves that cannot be distributed as provided by the Law or by the memorandum and articles of association.

The general meeting can resolve to allocate amounts deducted from the optional reserves either in order to supply or to make up a dividend or for the purpose of exceptional provisions; in this case the resolution shall expressly indicate the reserves headings from which these deductions are made. Losses, if any, are, after the approval of the financial statements by the general meeting, recorded in a special account in order to be attributed to the profit of the following fiscal years until full discharge.

3/ the general meeting ruling on the financial statements of the fiscal year, can allot to each shareholder for all or part of the allocated dividend, an option of either payment in cash or by shares allocation, the price of which is previously determined as provided by the Law.

The offer of payment by shares allocation should be made to all the shareholders. The request of such should be made during a period fixed by the general meeting and that cannot exceed three months from the said meeting.



GENERAL INFORMATION ON THE COMPANY AND ITS CAPITAL

Common regulations to the general meetings

Term and methods of the notices -

Information to shareholders (Clause 27 of the Memorandum and Articles of Association)

I - The General meetings can be convened by the Executive Board or by the Supervisory Board, as provided by Article 194 of the Decree, or by a proxy designated by the Trade Tribunal, following the request of one or more shareholders totalling at least one tenth of the share capital, or by the official liquidator.

II - The General meetings are held either in the head office or in any other place that should be specified in the notice.

III - Notices can be published in the newspapers entitled to receive legal notices and also in the Mandatory Legal Notices Bulletin. The shareholders, with nominative shares since at least one month from the date of the publishing are convened by an ordinary letter. They can request this letter to be a register letter if they pay to the company the relevant postage costs.

The period between the last of these letters or publications and the date of the meeting is of fifteen days from the first notice and six days from the next one.

The notice of the meeting should indicate the name of the company and if possible its logo, the type of the company, the amount of the share capital, the address of the head office, the registration number, the date, time and place of the meeting as well as the nature of the meeting and its agenda. The subject of the items comprised in the agenda shall be clearly and exactly described.

Whenever a meeting has not been able to correctly confer due to the absence of the required quorum, a second meeting is convened in the same forms and manners and the notice shall include the date of the first meeting.

Any meeting that has not been convened in the required forms and manners can be cancelled. However, the said cancellation is not possible whenever all the shareholders were attending or were represented.

The proxy form addressed by the company to the shareholders shall clearly inform them, that should the proxy form lack to designate the name of the nominated representative, then their vote will be considered favourable to the resolutions submitted by the executive board; the documents listed at Article 133 of the decree should be enclosed with the proxy form.

IV - Information to shareholders, previously to any meeting, can be ensured as follows:

a) by sending, at their request, the agenda of the meeting, the draft resolutions, notices in respect of the members of the executive and supervisory boards and in respect of the candidates to these positions, the report of the executive board and the observations of the supervisory board and a summary in respect of the company's situation as well as the income for the last five years.

Moreover, the following should be enclosed:

- if it is an annual general meeting, the income statement, the balance sheet and the special report of the statutory auditors.

- if it is an extraordinary general meeting, if needed, the report of the statutory auditors.

b) the above mentioned documents should be at the disposal of the shareholders, at the company's head office as well as the inventories, the shareholders lists, and the indication of the global amount of the five highest remuneration of the company, as well as the report of the statutory auditors and if needed, the draft merger or break-up.

V - Correspondence vote.

Each shareholder can give a correspondence vote by filling in a legal form that will be accounted for only if received at least three days prior the general meeting date. Abstention votes are considered of a negative nature.

Admission to the meeting - (Clause 28 of the Memorandum and Articles of Association)

The general meeting comprises all the shareholders, whatever the number of the shares held is; a shareholder can be represented by only another shareholder or his own spouse.

The right of attendance is subordinated by the shareholder being listed in the shareholding register, and, in respect of a bearer stock share, at the place indicated by the notice. These formalities should be carried out within five days prior to the date of the meeting.

Voting right - (Clause 31 of the Memorandum and Articles of Association)

Each member of the general meeting has as much voting rights as the number of shares he holds or represents, without limitation, except during the constitutive general meetings or those intended so, in which each shareholder cannot have more than ten voting rights, the proxy of a shareholder has the voting right as per his mandate in the same conditions and limits.

Existing multiple voting rights:

Nil.

GENERAL INFORMATION ON THE CAPITAL

Share capital - (Clause 7 of the Memorandum and Articles of Association)

The share capital is of 86 194 836 Euro. It is divided into 6 156 744 shares, of a single class, with a nominal value of 14 Euro each, all fully paid.

Crossing of thresholds in the Memorandum and Articles of Association and sanctions in the event of non-compliance with such disclosures - (Clause 12 of the Memorandum and Articles of Association)

The shareholders, pursuant to Article L. 233-7 of the Commercial Code § 5 must notify the company of the number of shares held directly or indirectly, alone or in concert, whenever their holding crosses the threshold fixed at 2% of the share capital or a multiple of this percentage.

In the event of non-compliance with this further obligation to disclose, shares exceeding the non-disclosed fraction will be deprived of their voting rights at the request, recorded in the minutes of the General Meeting, of one or more shareholders, holding 5% at least of the capital of the company, when the shares of the company are officially listed on a stock exchange or on the "second marché".

Authorisation for the company to repurchase its own shares

By a decision of the Annual Ordinary General Meeting of 24 April 1998, we were given for the first time authorisation to

repurchase the company's own shares pursuant to the provisions of Article 217-2 of the Company Act of 24 July 1966. This authorisation, for a period of 18 months, which was not used, expired on 23 October 1999.

The Extraordinary General Meeting of 26 March 1999 authorised the Executive Board, pursuant to the provisions of Article 217-2 of the Company Act of 24 July 1966, to acquire a maximum of 10% of the number of shares constituting the share capital. This authorisation for a period of 18 months, which was not used, expired on 25 September 2000.

The Ordinary General Meeting of 4 April 2000 authorised the Executive Board pursuant to the provisions of Article 217-2 of the Company Act of 24 July 1966 to acquire a maximum of 10% of the number of shares comprising the share capital. This authorisation lasting 18 months, with visa n°00-305 obtained on 14 March 2000, expired on 3 October 2001 and has been used, by the repurchase of 2 738 shares representing 0,04 % of the total share capital of Groupe Partouche S.A.

Last, the Extraordinary General Meeting of 2 April 2001 authorised the Executive Board pursuant to the provisions of Article 225-209 of the Commercial Code to repurchase on the market, its own shares, for the purposes principally of regulating the share price and the delivery of shares by way of exchange for external growth operations or for any other purpose that is in the company's interest.

The maximum share price was fixed at 100 € per share and the minimum price of an assigned share at 50 €. This authorisation, granted for 18 months that will expire on 1 October 2002, was never applied.

Capital authorised but not issued

The Executive Board has the following authorisations granted by the Extraordinary General Meeting of 2 April 2001, which could lead to the issue of securities with rights to acquire shares. These authorisations are summarised as follows:

Nature of transaction authorised by the EGM of 2 April 2001	Duration of authorisation (1)	Maximum amount in Euro	Terms
Capital increase			
• In cash	1 June 2003	250 000 000 €	• with preferential right of subscription • without preferential right of subscription
• By capitalisation of reserves, premiums or profit	1 June 2003	250 000 000 €	
• By issue of debt securities	1 June 2003	300 000 000 €	• with preferential right of subscription • without preferential right of subscription

(1) 26 months from the Extraordinary General Meeting of 2 April 2001.

GENERAL INFORMATION ON THE COMPANY AND ITS CAPITAL

Changes in share capital during the past five years

Years (from 1 November 1996 to 31 October 2001)	Capital variations (in FF or in Euro)		Successive total capital (in FF or in Euro)	Cumulative number of shares
	Nominal	Premium		
1997 EGM of 4 April 1997 Capital increase by contribution in kind (ratification of the contribution agreement of 10 008 shares held by Mr. Lucien Wilms from SA Sathel to Groupe Partouche SA	89 642 644 F	304 390 956 F	560 266 434 F	6 156 774
1998			560 266 434 F	6 156 774
1999			560 266 434 F	6 156 774
2000			560 266 434 F	6 156 774
2001 EGM of 2 April 2001 Conversion of the share capital into Euro by conversion of the nominal value of the shares from 13,87 € to 14 € by incorporation of the reserves	782 768,75 €		86 194 836 €	6 156 774

BREAKDOWN OF SHARE CAPITAL AND VOTING RIGHTS

Breakdown of share capital and voting rights at 28/01/2002

Main shareholders	Number of shares held	% of capital	% of votes (3)
FINANCIERE PARTOUCHE SA (1)	3 835 500	62,30 %	62,30 %
SOGESIC SARL (2)	284 500	4,62 %	4,62 %
PARTOUCHE Family	236 161	3,84 %	3,84 %
SUB-TOTAL	4 356 161	70,76 %	70,76 %
Public (4)	1 800 613	29,24 %	29,24 %
TOTAL	6 156 774	100,00 %	100 %

(1) SA Financière Partouche is a family holding company

(2) SARL Sogestic is a central purchasing office for the Group.

(3) There are no double voting rights

(4) Of whom Mr Lucien Wilms, holding 5,89% of the capital, and the company EEM (Belgium), holding 8% of the capital have been specifically identified

As far as the company is aware, there are no other shareholders holding 5% or more of the share capital or voting rights apart from those indicated above.

Employees hold no shares.



Changes in the breakdown of the share capital during the past 3 fiscal years

Identity of main Shareholder groupings	31 October 1999 (n-2)	31 October 2000 (n-1)	31 October 2001 (n)
FINANCIÈRE PARTOUCHE SA	62,62 %	62,62 %	62,30 %
SOGESIC SARL	4,62 %	4,62 %	4,62 %
PARTOUCHE Family	4,48 %	4,35 %	4,23 %
SUB-TOTAL	71,72 %	71,59 %	71,15 %
Public	28,28 %	28,41 %	28,85 %
TOTAL	100,00 %	100,00 %	100,00 %

Shareholders' agreement

There are no shareholders' agreements as far as the company is aware.

Potential capital

There are no other securities apart from those indicated above.

Options

There have been no stock option plans to date.

Number of shares traded, movements in the share prices since 18 months (source Euronext)

Periods	Extreme rates in Euro		Number of shares traded	Exchanged money in millions of Euro
	Higher	Lower		
2000				
August	73,50	64,00	40 806	2,75
September	67,00	60,00	34 920	2,23
October	60,50	53,00	23 521	1,32
November	59,00	54,00	19 413	1,10
December	58,65	48,02	76 599	4,16
2001				
January	62,60	57,30	19 863	1,20
February	72,00	62,00	65 063	4,37
March	69,45	62,25	49 138	3,27
April	69,40	66,30	12 309	0,84
May	72,45	67,40	46 268	3,18
June	76,25	69,50	69 699	5,09
July	83,50	70,20	96 628	7,57
August	74,00	64,00	22 592	1,54
September	72,80	45,15	17 230	0,99
October	65,00	57,30	24 482	1,50
November	64,00	55,00	42 844	2,55
December	74,25	56,10	96 899	6,49
2002				
January	75,50	63,00	29 836	2,10



GENERAL INFORMATION ON THE COMPANY AND ITS CAPITAL

STOCK MARKET OF THE COMPANY

The Groupe Partouche's share that was listed on the "Second Marché" of Paris Stock Exchange on the 29 March 1995, was transferred on 2 November 1998, on the "Premier Marché" of the Paris Stock Exchange (code 5354).

Establishment looking after the finances of the company

The transfer and payments of dividends services are looked after by the Lyonnaise de Banque - Direction of customer services - Issuing service, Address : Chemin Antoine Pardon - 69160 Tassin-la-Demi-Lune.

DIVIDENDS

The proposed net dividend per share for the fiscal year ended 31 October 2001 is of 0,80 €, i.e. a gross amount of 1,20 % after tax credit.

Moreover, the dividends distributed for the five previous fiscal years are as follows:

In FRF	Fiscal year ended 31/10/1996	Fiscal year ended 31/10/1997	Fiscal year ended 31/10/1998	Fiscal year ended 31/10/1999	Fiscal year ended 31/10/2000
Total dividends	41 373 520	55 410 966	61 567 740	67 724 514	67 724 514
Net dividend per share	8,00	9,00	10,00	11,00	11,00
Paid tax	4,00	4,50	5,00	5,50	5,50
Total income per share	12,00	13,50	15,00	16,50	16,50

During the fiscal year ended 31 October 2001, no down-payments on dividends were paid.

Any dividend that is not claimed for during five years as from its due date, will be prescribed to the State, as provided by the Law (payment to the National Properties Department).

PERSONS IN CHARGE OF THE REFERENCE DOCUMENT AND OF THE SUPERVISION OF THE STATEMENTS

PERSON IN CHARGE OF THE REFERENCE DOCUMENT

Mr Hubert BENHAMOU - Chairman of the Executive Board.

TESTIMONIAL OF THE PERSON IN CHARGE OF THE REFERENCE DOCUMENT

To our knowledge, the data given in this reference document are true. It includes all the information necessary to the investors for judging the assets, the activities, the financial situation, the income and the outlook of the company; it includes no omission that may alter its significance.

Hubert BENHAMOU

PERSONS IN CHARGE OF THE STATEMENTS SUPERVISION

The Statutory Auditors

Identity of the statutory auditors incumbent and substitute	Date of first appointment	Duties expiry date
Incumbent KPMG Audit – Département de KPMG SA 1, Cours Valmy - 92923 Paris La Défense Cedex	AGM 2 October 1993	OGM to rule on the statements of the fiscal year ended 31 October 2003
Substitute Mr Gérard RIVIÈRE 1, Cours Valmy - 92923 Paris La Défense Cedex	AGM 24 April 1998	OGM to rule on the statements of the fiscal year ended 31 October 2003
Incumbent Mr José DAVID 47, Av. du Président Roosevelt - 92330 Sceaux	AGM 4 February 1995	OGM to rule on the statements of the fiscal year ended 31 October 2003
Substitute Mr Emmanuel QUINIYOU 62, rue de la Faisanderie - 75116 Paris	AGM 8 March 1996	OGM to rule on the statements of the fiscal year ended 31 October 2003

OPINION OF THE STATUTORY AUDITORS ON THE REFERENCE DOCUMENT

FISCAL YEAR ENDED 31 OCTOBER 2001

Ladies and Gentlemen,

As the Statutory Auditors of Groupe Partouche S.A. and as provided by the regulations of the COB 98-01, we have audited, in accordance with the professional standards that are applicable in France, the information pertaining to the financial situation and the historical accounts as given in this reference document. This reference document was drawn up under the supervision of the executive board. It falls to us to express an opinion as to the true view of the information it gives in respect of the financial situation and the statements. Our proceedings consisted, in accordance with the professional standards that are applicable in France, in appreciating the accuracy of the information it gives in respect of the financial situation and of the statements, examining their agreement with the accounts subject of this report. They also consisted in reading the other information included in the reference document, in order to identify if necessary, the significant incoherence with the information related to the financial situation and to the statements, and to indicate the information that we deem obviously erroneous, based on our general knowledge of the company as part of our assignment. This reference document does not include any isolated provisional data resulting from a structured drawing up process.

We have audited, in accordance with the professional standards that are applicable in France, the annual statements and the consolidated statements for fiscal years ended 31 October 1999 and 31 October 2000 as drawn-up by the Executive Board. We have no comment to make and thus we certify these statements.

We have audited, in accordance with the professional standards that are applicable in France, the annual statements and the consolidated statements for the fiscal year 31 October 2001 as drawn-up by the Executive Board. We certify these statements without reservation. They mention the first application of the CRC 99-02 regulations.

We have no comment to make as to the good faith of such given information and its consistency with the financial situation and statements that are submitted in this reference document.

Paris La Défense and Sceaux, 22 March 2002.

José DAVID

KPMG Audit
KPMG SA Department

Mair FERERES
Partner

PERSON IN CHARGE OF THE INFORMATION

Mr Alain CENS - Financial manager.
Phone: 01 47 64 33 45



TABLE OF CONCORDANCE OF THE REFERENCE DOCUMENT

For the purpose of making the reading of the reference document easier, the following index indicates the main required headings in accordance with the provisions of regulation 98-01 of the Securities and Investments Board (Commission des Opérations de Bourse).

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COB

This reference document has been submitted to the Securities and Investments Board (Commission des Opérations de Bourse) on 25 March 2002, in accordance with the provisions of regulation n° 98-01. It could be used for the purpose of a financial operation if completed with an operation note certified by the Securities and Investments Board (Commission des Opérations de Bourse).