

Center Parcs

Investor Presentation

Interim Results: 36 weeks to 31st December 2015

2nd February 2016



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Section 1

Overview

FY16 Q3 Highlights

Strong Q3 Performance

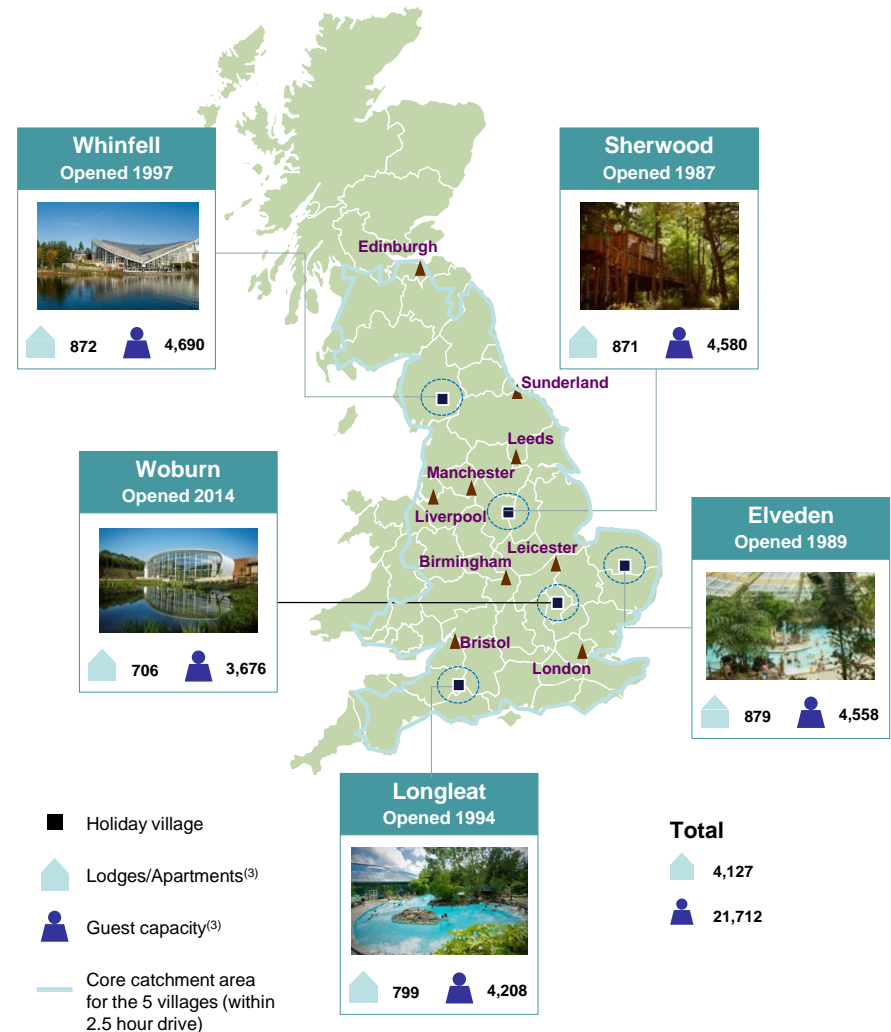
- Revenue and EBITDA⁽¹⁾ growth of 8.3% and 7.7% respectively in Q3.
- Following Woburn passing its 1st anniversary of trading, growth trends continue to improve.
- Accommodation upgrades and new builds investment accelerating under new ownership.

Outlook

Positive forward bookings⁽²⁾

- FY16** – 92.9% of FY16 capacity booked – slightly ahead of same stage last year (FY15: 89.2%); combined with strong ADR growth.
- Increased number of off-line lodges for upgrade in last quarter vs. prior year will impact Q4 results
- FY17** – 23.6% of FY17 capacity booked (FY16: 20.5%), combined with good ADR growth.

(1) before owners' costs and exceptional items
 (2) bookings as at 29th January 2016
 (3) as at 31st December 2015






Section 2

Key Financial Highlights

Key Financial Highlights: Financial Year 2016

5 Villages				5 Villages		4 Villages
Q3	% change v FY15			YTD	% change v FY15	% change YTD v FY15
£100.8m	↑ 8.3%	Revenue		£301.0m	↑ 10.4%	↑ 5.9%
£46.4m	↑ 7.7%	EBITDA ⁽¹⁾		£147.4m	↑ 11.2%	↑ 5.1%
46.0%	↓ 0.3%	Operating Margin ⁽¹⁾		49.0%	↑ 0.4%	↓ 0.4%

98.8%	↑ 3.0%	Occupancy		98.1%	↑ 1.5%	↑ 1.1%
£172.93	↑ 4.2%	ADR		£174.61	↑ 3.5%	↑ 4.0%
£170.88	↑ 7.4%	RevPAL		£171.22	↑ 5.1%	↑ 5.2%

⁽¹⁾ before owners' costs and exceptional items

Revenue Performance: Financial Year 2016

5 Villages			5 Villages		4 Villages
Q3	% change v FY15		YTD	% change v FY15	% change YTD v FY15
<u>£m</u>		<u>Revenue</u>	<u>£m</u>		
59.3	+7.6%	Accommodation	178.1	+9.3%	+5.2%
41.5	+9.2%	On-village	122.9	+12.0%	+6.8%
<u>100.8</u>	<u>+8.3%</u>	Total	<u>301.0</u>	<u>+10.4%</u>	<u>+5.9%</u>

Accommodation

- Further improvement in trends in Q3.
- Strong performance at all villages – particularly at Elveden and Longleat.
- ADR on Q4 forward bookings look even stronger.

On-village

- All on-village revenue divisions in good growth.
- F&B and Leisure particularly strong.
- Forward bookings remain strong for remainder of year.

2.3 Village Performance: YTD FY16

		Sherwood	Elveden	Longleat	Whinfell	Woburn ⁽¹⁾	Central Overheads	Group
1.	Occupancy	97.6%	98.9%	98.7%	97.9%	97.0%		98.1%
	% change v FY15	+0.5%	+1.7%	+1.6%	+0.6%	+4.2%		+1.5%
2.	Revenue	£m 62.3	63.0	59.6	57.7	58.4		301.0
	% change v FY15	+5.4%	+5.5%	+7.2%	+5.5%	+34.3%		+10.4%
3.	EBITDA⁽²⁾	£m 35.2	34.5	32.1	30.6	31.9	(16.9)	147.4
	% change v FY15	+6.7%	+6.2%	+9.6%	+7.0%	+40.5%	+25.2%	+11.2%
	LTM⁽³⁾	£m 47.8	45.8	42.7	40.3	41.7	(23.3)	195.0

- Occupancy:** Best ever quarter's occupancy performance of 98.8% - no lodges off-line in Q3.
- Revenue:** underlying performance broadly similar at all villages; much improved trend in Southern villages from Q2 onwards.
- EBITDA:** Group LTM EBITDA of £195.0m significantly ahead of pro-forma EBITDA of £186.2m stated in Jul 2015 debt refinancing



⁽¹⁾ Woburn prior year numbers only include trading performance for 28 wks vs. 36 wks in the current year.

⁽²⁾ before owners costs and exceptional items

⁽³⁾ 12 months performance to 31st December 2015

Financial Ratios and Covenants⁽¹⁾

1.	Free Cash Flow £m	12 months to 31 Dec 2015		
	EBITDA ⁽²⁾	195.0		
	Owners' costs	(1.3)		
	Change in working capital	20.3		
	Tax paid	(1.0)		
	Covenanted Maintenance capital ⁽³⁾	(18.5)		
	FCF	194.5		
2.	Pro-forma Debt Service	£m		
	Class A Interest payable items ⁽⁴⁾	46.7		
	Class B total Interest payable	39.2		
	Total Interest Payable Items	85.9		
3.	Financing Ratios	£m ⁽⁵⁾	EBITDA Multiple	
	Gross Debt	1,491.8	7.7x	
	Cash	(48.2)		
	Net Debt	1,443.6	7.4x	
4.	Financial Covenants	Actual	Default Covenant	RPC Test
	(i) Class A - FCF : DSCR	4.2x	1.1x	1.35x
	(ii) Class B - FCF : DSCR	2.3x	1.0x	

⁽¹⁾ All ratios and covenants calculated on a pro-forma basis, which assumes the current financing structure was in place for the 52 wks ended 31 Dec 2015

⁽²⁾ Before owners' costs and exceptional items

⁽³⁾ As per covenant definition of minimum spend required

⁽⁴⁾ Includes liquidity facility fees and is net of interest receivable

⁽⁵⁾ Excludes debt issue costs of £26.8m



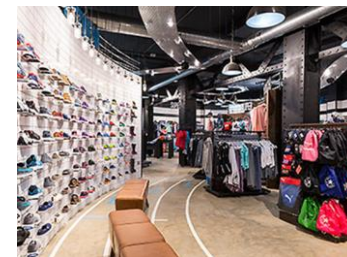


Section 3

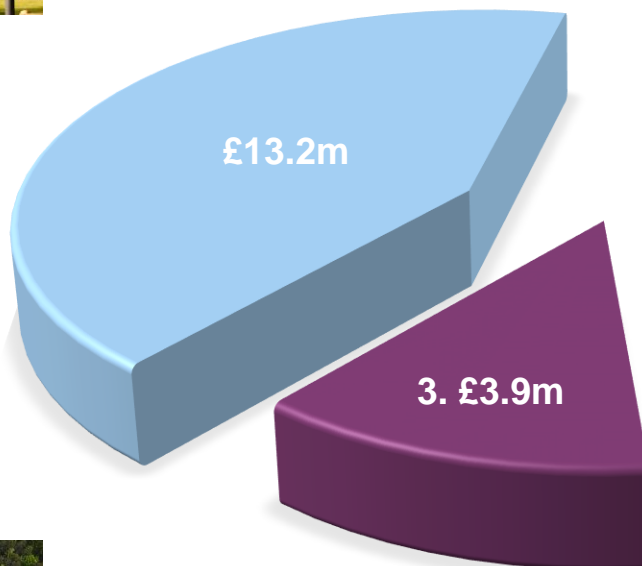
Capital Investment and Projects



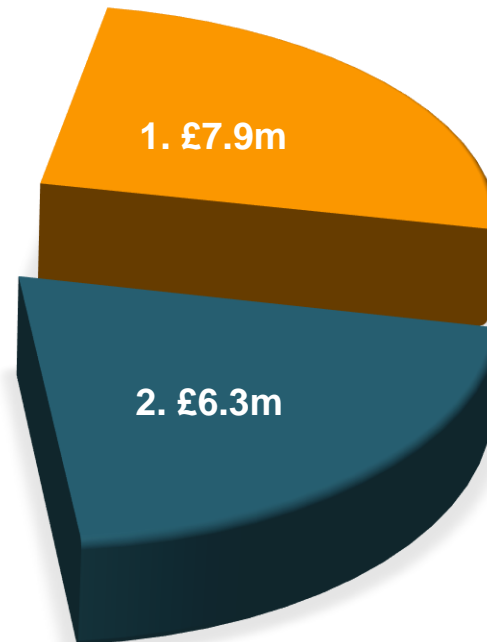
Total = £31.3m
(FY15: £28.9m)



**Maintenance
Capital
£13.2m**
(FY15: £13.3m)
LTM⁽²⁾ : £24.1m



**Investment
Capital
£18.1m**
(FY15: £15.6m)
LTM⁽²⁾ : £21.2m



1. Investment Projects.
2. Accommodation upgrades.
3. New build accommodation.



investment accelerating under new ownership

1. Capital Projects FY15



Electric boats
CAPEX £144K
ROI 50%

Caving (SF)
CAPEX £138K
ROI 61%



Tree climbing (SF)
CAPEX £27K
ROI 45%

Mini tree trek (LF)
CAPEX £87K
ROI 45%



Indoor Climbing Adventure (LF)
CAPEX £150K
ROI 37%

Aerial Adventure (EF)
CAPEX £61K
ROI 90%



2. Capital Projects FY16



Pottery extension (WF)
CAPEX £125K
ROI 28%

Woodland wheelers (SF & LF)
Capex £124k
ROI 31%



Aerial Adventure upgrade (LF)
CAPEX £103K
ROI 42%

Sensory Adventure (EF)
CAPEX £161K
ROI 28%

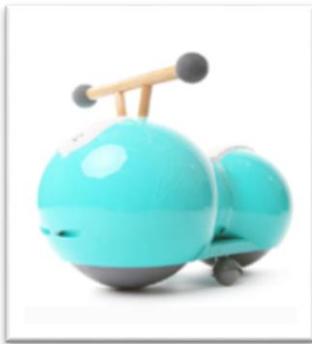


Indoor Climbing Adventure (EF)
CAPEX £138K
ROI 32%

3.3 Leisure: key successes

Examples include

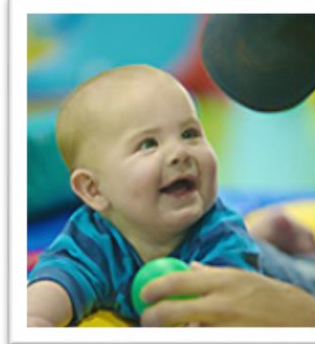
1. Under 5's Activities



Baby balance buddy



Mini Trek



Baby sensory



Mucky Pups



Soccer play

2. Extending what works to all villages



WF Mini Trek



**EF Woodland
Wheelers**



**WF Adventure
Golf Refurb**



**SF Indoor Climbing
Adventure**



**WO, SF Electric
Boats**

F&B: Rollout of New Concepts

- 3 units upgraded in H1 FY16
- further 3 units planned to be upgraded in H2 FY16, including



**Sherwood
Sports Cafe**



**Elveden
Sports Cafe**



Retail: Rollout of Woburn Concepts

- Total of 9 units upgraded in H2 FY15 and H1 FY16.
- Further 7 units planned to be upgraded in H2 FY16.

1. Concessions; 8 units already refurbished

Sherwood	Elveden	Longleat	Whinfell
Sportique	Aquatique	Sportique	Spirit
Spirit	Spirit	Aquatique	Aquatique



2. Example of CP own Retail refurbishment – Elveden Treats



Accommodation upgrade programme

1. Accommodation Upgrades since FY08

	<u>No.</u>	<u>%</u>
Upgraded units	2,888	85%
New builds	110	3%
	2,998	88%
To be upgraded	423	12%
Original Four Villages	3,421	100%
Woburn	706	
Total Group	4,127	



2. Planned Accommodation investment in Q4

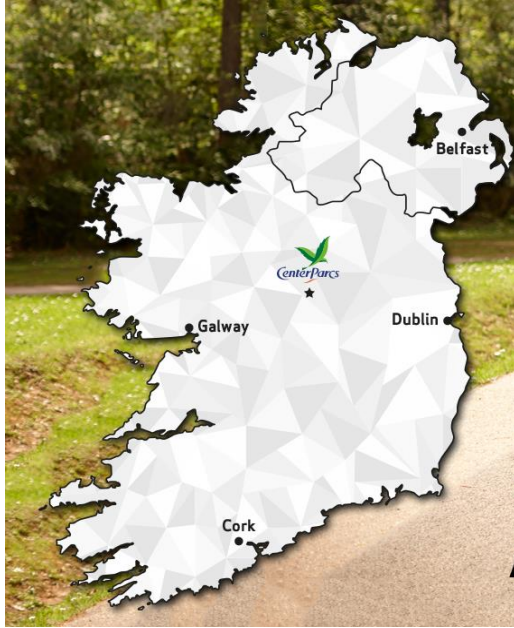
	<u>No of Units</u>	<u>Start Date</u>	<u>Completion</u>
<i>(i) <u>Project Spring – major upgrades</u></i>			
Sherwood Lodges ⁽¹⁾	68	Jan '16	Jul '16
Longleat Apartments	24	Jan '16	Mar '16
Longleat Lodges	40	Apr '16	Jul '16
Whinell Lodges – 2 phases	92	Jan '16	Jul '16
	224		
<i>(ii) <u>Project Summer – refurbishments</u></i>			
Elveden Lodges	124	Apr '16	Jul '16
		Total Cost c£16m	
		Cost £m	
		3.4	

New Builds update

New build accommodation currently on site.

Village	Type	No.	Total Cost £m	On Site	Open
Sherwood	4 bed Exclusives	6	2.8	May-15	Opened on 4 th Jan 2016
Elveden	Treehouses	4	3.7	Sep-15	Q1 FY17
Elveden	1 bed apartments	48	6.1	Nov-15	Q3 FY17
Woburn	Executive Lodges	18	3.8	Nov-15	Q2 FY17
		76	16.4		





1. Center Parcs Ireland – Longford Forest

- Option acquired for freehold of c400 acre site in Ballymahon, County Longford.
- Good road network and access; mostly coniferous forest; quiet and peaceful in rural setting, c90 mins from Dublin.
- Option subject to a number of conditions, including planning permission.

2. Progress to date

- Submitted planning application on 30th October 2015.
- Awaiting outcome of planning decision from local Council.
- Detailed design work to follow successful planning application.

3. Proposed Programme

- **2015** – Design work and submit planning.
- **2016** - Obtain planning consent complete design work, commence enabling works.
- **2017** – Main construction programme.
- **2019** - Open for trading.

3.9 Center Parcs Longford Forest

Artists' impressions



Sub Tropical Swimming Paradise and Village Centre viewed across the lake



The Pancake House, Beach Kiosk and lake.



North entrance to the Village Centre



Aqua Sana Spa



Section 4

Summary

Summary

1. Excellent Q3 performance across all Villages.
2. Accommodation and on-village performance both strong.
3. Capital investment plans accelerating under new ownership; both accommodation upgrades and new build programme.
4. Strong forward bookings – occupancy and ADR ahead of the prior year for remainder of FY16 and FY17.
5. Decision expected shortly on planning permission application for Irish site.



Questions



Financial Calendar and Contacts

Financial Calendar

- **2nd February 2016**

Quarter 3 results FY16 for
36 weeks to 31st December
2015

- **Early July 2016**

Full year results FY16 for
52 weeks to 21st April 2016

- **Mid August 2016**

Quarter 1 results FY17 for
12 weeks to 14th July 2016

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