

PARQUES REUNIDOS – TRADING UPDATE

Parques Reunidos (“Parques” or “the Company”) is providing today October 4th a current trading update including the business performance during the summer season.

Group revenues and EBITDA for the fiscal year 2018 are expected to grow at a low single digit rate on a like-for-like basis¹. The Company will deliver positive growth across all regions, driven by an increase in attendance and revenue percap. Key recent capex projects, including the expansion of Warner Beach in Madrid and Mirabeach in Italy, have delivered promising results. The Company has also reached record levels in the sale of season passes, achieving double digit annual growth.

The performance has nonetheless been adversely affected by:

- Poor weather conditions that impacted performance across all regions. Spain has suffered the wettest Spring since 1965; the heat wave experienced in Central and Northern Europe has partially offset the strong performance in that region during the off-season period and the US has suffered another bad weather season in the summer.
- Additionally, the Company has identified areas to deliver a better execution in terms of commercial impact, cost management and capex planning.

As a result, the Company is not going to meet the year-end target of “at least 10% like-for-like” EBITDA growth.

The performance by region is as follows:

- Spain has delivered strong results during the summer season more than offsetting the poor weather conditions experienced during Easter and Spring and is expected to reach a mid-single digit like-for-like revenue and EBITDA annual growth.
- Rest of Europe segment has lost momentum after a strong start of the year due to the extreme heat wave that lasted for most of the peak season. Despite this, Rest of Europe is expected to reach a low single like-for-like revenue and EBITDA annual growth.
- The performance of the US business has been again penalized by another summer with poor weather conditions, particularly in the North East and California, and the US is expected to finish the year with flat revenues vs. prior year and mid-single digit EBITDA growth.
- Headquarters EBITDA is expected to decrease by c.€4 MM mainly driven by costs associated with new resources to support expansion of the business and some start-up costs to support the development of the new indoor business.
 - Excluding headquarters, the park EBITDA is expected to grow on a like-for-like basis by mid-single digit.

While Parques remains confident in the quality of the portfolio, a revised strategic plan is being developed to accelerate delivery of the full organic growth potential of the existing park portfolio and to maximize the potential expansion of the business. The Company aims at creating a stronger and better diversified platform to ensure growth regardless of external factors. The Company and the Board have already taken action, launching several searches to strengthen the management team, focusing on a disciplined execution, developing important capex projects for 2019 season, including the openings of Ducati World at Mirabilandia or Steelers Country at Kennywood, and intensifying focus on acquisitions, in which the Company this year expanded its footprint into Australia and reinforced its position in Germany through the acquisitions of Wet’n’Wild Sydney and Belantis.

¹ Like-for-like figures assumes constant FX rates and same park perimeter (excluding Madrid cable car concession, that expired in December 2017, and the acquisition of Belantis which was completed in March 2018)