

# Center Parcs Investor Presentation

**Results: 53 weeks to 26 April 2018**

**3 July 2018**



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## **Section 1**

### **UK Group Overview**



# Center Parcs Overview

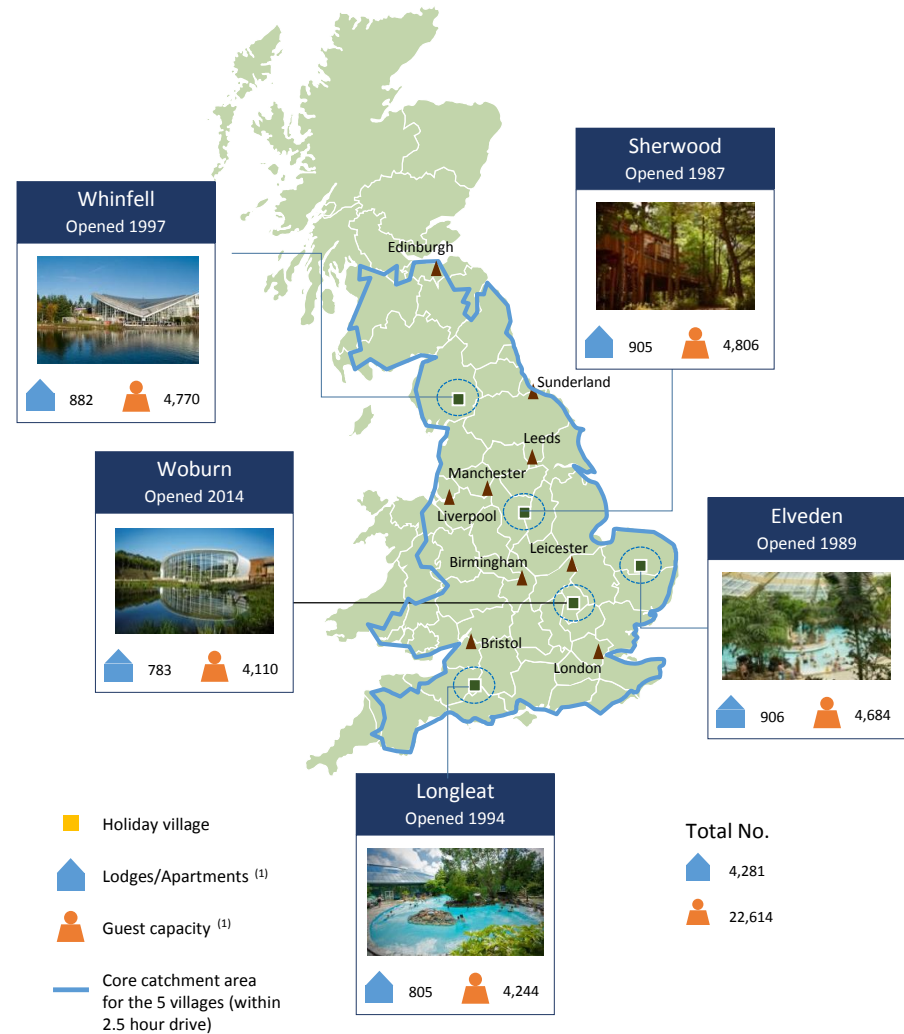
## FY18 Highlights

### 53 weeks to 26 April 2018

- ✓ 53 week result compared to 52 weeks in FY17.
- ✓ Underlying EBITDA £229.9m before impact of exceptional weather, +7.9% Growth.
- ✓ FY18 saw the impact of exceptional weather in March and for only the 4<sup>th</sup> time in 30 years a village closed. This had an estimated impact of £1.5m on the EBITDA result.
- ✓ Reported underlying EBITDA £228.4m, +7.2% Growth.

## Outlook

- ✓ 53.1% of FY19 capacity booked<sup>(2)</sup> (2017/18 54.5%).
- ✓ ADR growth on forward bookings is consistent with prior year.



<sup>(2)</sup> bookings as at 21 June 2018









<sup>(1)</sup> As at 21 June 2018










## **Section 2**

# **Key Financial Highlights**

# Key Financial Highlights: Financial Year 2018

		Full Year FY18	% change v FY17 (53 weeks)	% change v FY17 (52 weeks)
Revenue <sup>(1)</sup>		£469.0m	 6.5%	 4.9%
EBITDA – Pre weather		£229.9m	 7.9%	 6.7%
EBITDA – Post weather		£228.4m	 7.2%	 6.0%
Operating Margin		48.7%	 0.3%	-

Occupancy		97.6%	 0.3%	 0.3%
ADR		£184.95	 3.6%	 4.1%
RevPAL		£180.46	 3.8%	 4.4%

# Revenue Performance: Financial Year 2018

Q4	% change v FY17		Full Year FY18	% change v FY17 (53 weeks)
<u>£m</u>		<u>Revenue</u>	<u>£m</u>	
82.8	+11.7%	<b>Accommodation</b>	280.0	+7.1%
58.3	+8.8%	<b>On-village</b>	189.0	+5.6%
<b>141.1</b>	<b>+10.5%</b>	<b>Total</b>	<b>469.0</b>	<b>+6.5%</b>

- Q4 FY18 consists of 17 weeks: Q4 FY17 contained 16 weeks



**Good YoY growth in both accommodation and on-village revenue**

# Village Performance: Financial Year 2018

		Sherwood	Elveden	Longleat	Whinfell	Woburn	Central Overheads	Group
Occupancy		97.9%	97.7%	97.3%	97.6%	97.3%		97.6%
<b>% change v FY17</b>		<b>+0.4%</b>	<b>+0.8%</b>	<b>+0.2%</b>	<b>+0.1%</b>	<b>(0.2)%</b>		<b>+0.3%</b>
Revenue	£m	98.5	96.7	91.8	88.6	93.4		469.0
<b>% change v FY17</b>		<b>+7.9%</b>	<b>+5.1%</b>	<b>+5.9%</b>	<b>+5.4%</b>	<b>+8.4%</b>		<b>+6.5%</b>
EBITDA	£m	55.5	52.5	49.5	46.3	49.4	(24.8)	228.4
<b>% change v FY17</b>		<b>+8.6%</b>	<b>+5.2%</b>	<b>+6.7%</b>	<b>+4.3%</b>	<b>+6.2%</b>	<b>(2.0)%</b>	<b>+7.2%</b>

1. **Occupancy:** less accommodation off-line for upgrade than in the prior year. Woburn variance due to timing of new lodges coming on-line.
2. **Revenue:** underlying growth broadly consistent across all villages.
3. **EBITDA:** Broadly consistent underlying growth at all villages.



# Financial Ratios and Covenants

1.	Free Cash Flow £m	53 weeks to 26 <sup>th</sup> April 2018
	EBITDA	228.4
	Change in working capital	12.7
	Tax paid	(1.0)
	Covenanted Maintenance capital <sup>(1)</sup>	(18.5)
	<b>FCF</b>	<b>221.6</b>
2.	Pro-forma Debt Service	£m
	Class A Interest payable items <sup>(2)</sup>	49.9
	Class B total Interest payable	32.6
	<b>Total Interest Payable Items</b>	<b>82.5</b>

<sup>(1)</sup> As per covenant definition of minimum spend required

<sup>(2)</sup> Includes liquidity facility fees and is net of interest receivable

# Financial Ratios and Covenants

3.	Financing Ratios	£m <sup>(1)</sup>	EBITDA Multiple
	<b>Gross Debt</b>	<b>1,760.6</b>	<b>7.7x</b>
	Cash	(46.1)	
	<b>Net Debt</b>	<b>1,714.5</b>	<b>7.5x</b>

4.	Financial Covenants	Actual	Default Covenant	Restricted Payment Condition Test
	<b>(i) Class A - FCF : DSCR</b>	4.4x	1.1x	1.35x
	<b>(ii) Class B - FCF : DSCR</b>	2.7x	1.0x	

<sup>(1)</sup> Excludes debt issue costs and the premium on the A4 notes

**Gross debt: EBITDA multiple has reduced from 8.25x at the date of the June 2017 refinancing**



**Section 3**  
**Capital Investment Projects**

# Capital Investment<sup>(1)</sup>: Financial Year 2018

	Full Year FY17 £m	Full Year FY18 £m
<b>Investment Projects</b>	25.8	22.2
<b>Accommodation upgrades</b>	22.4	12.0
<b>New Builds</b>	21.7	24.6
<b>Total Investment Capital</b>	69.9	58.8
<b>Maintenance Capital</b>	24.6	25.7
<b>Total Capital Investment</b>	94.5	84.5



# New Builds: Complete/Currently on site<sup>(1)</sup>



**Complete at Elveden: 3 x Waterside lodges**



**Complete at Elveden: 51 x 1 bed Apartments**

**Complete at Elveden: 9 x 3 bed Executive Lodges**



**Opening at Woburn Summer 2018: 3 x Treehouses**



# New Builds: Complete/Currently on site



Complete at Woburn 57 x Executive Lodges: Woburn Phase 2



Complete at Sherwood 28 Project 900 new builds

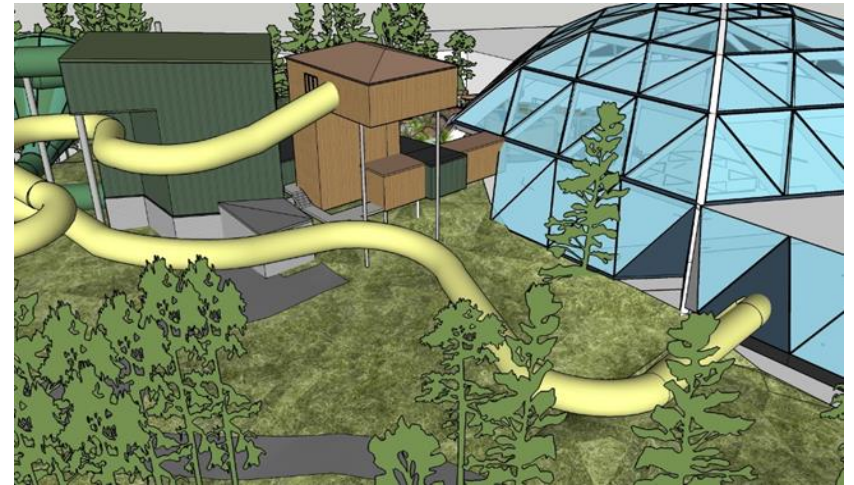
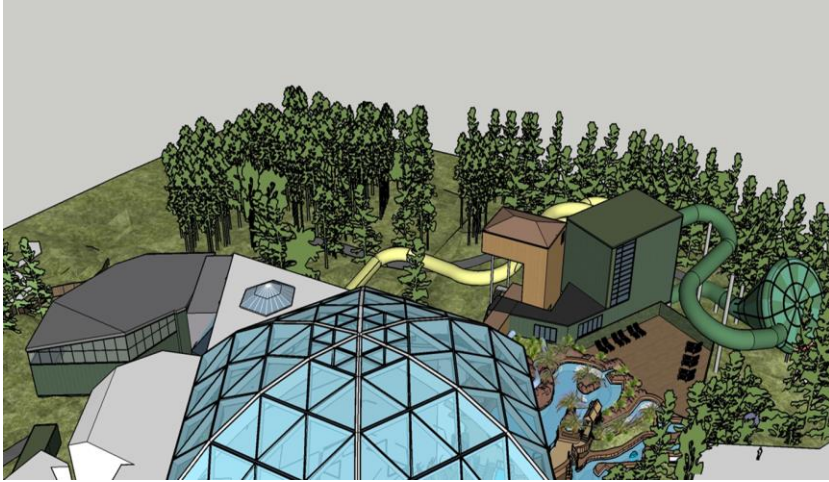
# Project Summer



- 1,057 lodges already upgraded to the “Summer” standard
- The upgrade of 27 lodges at Sherwood commenced in Q1 2019, the upgrade of 209 lodges at Sherwood and Whinfell is anticipated to commence in FY19, and a further 190 lodges will be upgraded in Longleat and Elveden in early 2019.



# Project Atlantis Sherwood Forest



Estimated completion early FY20



# Summary

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- ✔ *An excellent performance with strong EBITDA growth of +7.9% to £229.9m before the impact of exceptional weather in March 2018. Reported EBITDA of £228.4m (+7.2%).*
- ✔ *New lodges opened as planned in FY18 will continue to benefit FY19.*
- ✔ *Capital investment programme continues to deliver excellent returns.*
- ✔ *Bookings and ADR for FY19 in line with same point in time last year.*

# Financial Calendar and Contacts

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## Financial Calendar

- **Late August 2018**  
Quarter 1 results FY19 for 12 weeks to 19<sup>th</sup> July 2018
- **November 2018**  
Quarter 2 results FY19 for 24 weeks to 11<sup>th</sup> October 2018

## Contacts

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