

INTRODUCTION TO MERLIN ENTERTAINMENTS PLC MARCH 2018



CONTENTS



1. Summary Investment Highlights
2. Introduction to Merlin
3. Six Strategic Growth Drivers
4. Brands and Assets
5. Financial Dynamics and Performance
6. Board and Management

SUMMARY INVESTMENT HIGHLIGHTS



A global leader in location based entertainment

66 million visitors, with over 120 attractions in 25 countries¹

Structurally attractive markets

Growth in leisure spend, international travel and short breaks

Capital discipline and strong cash flow

Group ROCE of 9.1%
£315 million operating free cash flow²

Exclusive, global license to own and operate LEGOLAND parks

Opportunity for 20 parks longer term

Leader in themed accommodation

c.3,500 rooms, with strong pipeline

Global success with Midway roll out

110 attractions¹ with significant roll out potential

¹ As at 30 December, 2017

² EBITDA less Existing Estate Capex

PROGRESS SINCE 2013



Visitors

66.0m

(+6.2m)

EBITDA

£474m

(+22%)¹

EPS

20.5p

(+21%)¹



>1,200

New accommodation
rooms



24

New Midway attractions



Two

New LEGOLAND
Parks

¹ Reported currency

2. INTRODUCTION TO MERLIN

WORLD OF ATTRACTIONS



Merlin is a global leader in location based entertainment, with 66 million visitors, in over 120 attractions, across 25 countries



STRATEGIC STATEMENT



Since the creation of Merlin in 1999, the Company's Strategic Statement has been:

“TO CREATE A HIGH GROWTH, HIGH RETURN, FAMILY ENTERTAINMENT COMPANY BASED ON STRONG BRANDS AND A GLOBAL PORTFOLIO THAT IS NATURALLY BALANCED AGAINST THE IMPACT OF EXTERNAL FACTORS”

UNIQUE PORTFOLIO OF FAMILY ENTERTAINMENT BRANDS AND ICONIC ASSETS



Merlin operates two main product types, split across three Operating Groups....

MIDWAY ATTRACTIONS

110 Attractions in 22 countries

Predominantly indoor attractions located in city centres, resorts and shopping malls providing visits of shorter duration



THEME PARKS

LEGOLAND PARKS

8 Parks in 7 countries

Leading global brands aimed at families with younger children. Synergistic relationship with LEGO.



RESORT THEME PARKS

6 Parks in 3 countries

National brands aimed at families, teenagers and young adults with themed accommodation. Leading market positions.



40.7m

Visitors

£656m

Revenue (41% of Group)

15.3m

Visitors

£609m

Revenue (38%)

10.0m

Visitors

£329m

Revenue (21%)

....Supported by Merlin Magic Making, our unique, in-house creative resource.





Finding the magic

Utilising consumer insight and research, MMM finds new business opportunities, ranging from the strategic roll out of the Midway estate to potential acquisitions.

MERLIN MAGIC MAKING



Creating the magic

Driving innovation across the Group, MMM creates the highest class compelling propositions for the existing estate and new attractions. This includes creating Merlin's very own in-house intellectual property.



Merlin Magic Making (MMM) is the unique resource that sits at the heart of everything Merlin does



Producing the magic

MMM takes creative ideas and then produces amazing content for our attractions, making LEGO models, wax figures and attraction theming. The Merlin Animal Welfare Development (MAWD) team ensures that Merlin provides the best animal care possible as we source creatures for display in our attractions.



Delivering the magic

MMM's project management teams produce world class attractions for our guests to enjoy. We deliver all of Merlin's major existing estate capital projects and new Midway attractions before they are handed over to the New Openings team to manage the opening and first 18 -24 months of trading.

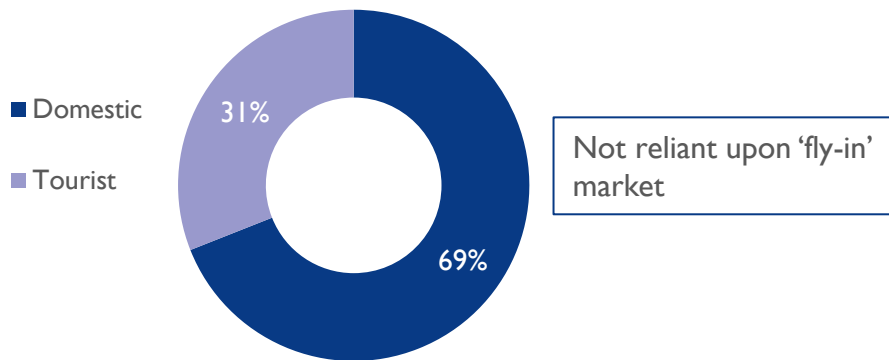


BALANCED PORTFOLIO

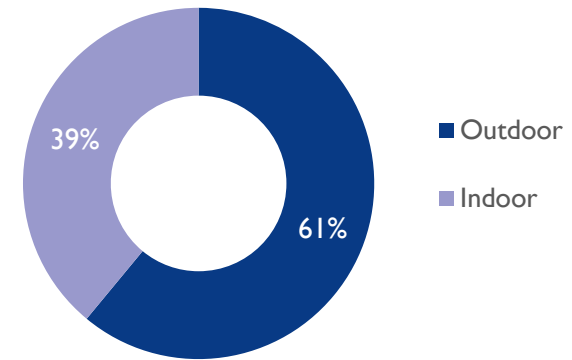


Through our six Strategic Growth Drivers, we have built a portfolio balanced by geography, customer type and attraction type

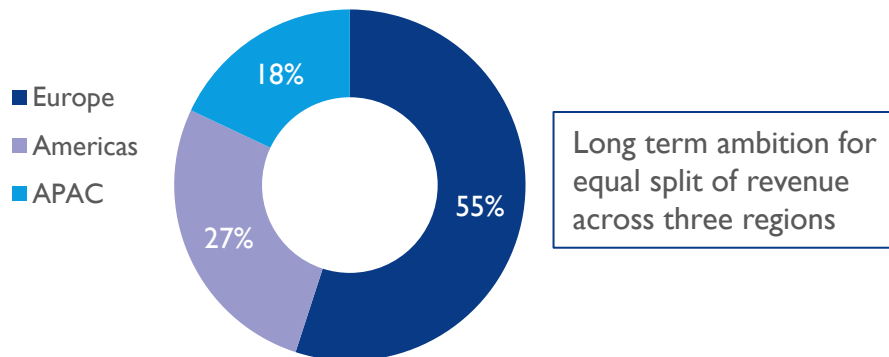
Visitors by tourist / domestic¹



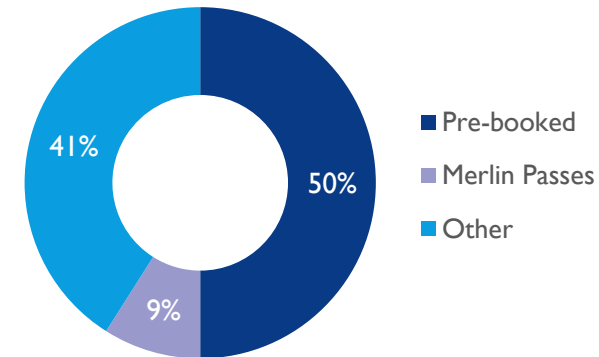
Portfolio by weather exposure²



Revenue by Geography



Pre-booked revenue³



¹ Based on touchscreen data, from a sample of 2017 visitors

² Total revenue, 2017

³ Total admissions revenue, 2017

MARKET CONTEXT



Merlin operates in a fundamentally attractive marketplace, benefiting from a number of structural growth drivers.

Increasing leisure spend

Global Travel & Tourism expected to grow by c4% CAGR (inflation-adjusted) over 2017-2027¹

City centre tourism

Growth in leisure time and expansion of middle classes has driven increased international tourism. 1.8 billion international arrivals expected in 2030 – threefold increase on 2000 levels²

Short breaks

Cultural and financial factors driving growth in short breaks and ‘staycations’ as opposed to the traditional two-week holiday

¹ World Tourism and Travel Council, Economic Impact research, 2017

² UNWTO World Tourism Highlights, 2017

SIX STRATEGIC GROWTH DRIVERS



Against this attractive market backdrop, Merlin has six strategic growth drivers

1. EXISTING ESTATE CAPEX

- Something new in every attraction, every year
- Driving growth in capacity, visitation and pricing

2. STRATEGIC SYNERGIES

- Leveraging the scale of the Group through Group promotions, procurement and e-commerce

3. SHORT BREAK POSITIONING

- Adding a range of themed accommodation to our theme parks

4. MIDWAY ROLL OUT

- Balance openings between core brands in developed markets, and new brands / emerging markets

5. NEW LEGOLAND PARKS

- Combining our operational expertise with LEGO's worldwide popularity

6. STRATEGIC ACQUISITIONS

- Disciplined approach to acquisitions in a fragmented market

Being a Force for Good

Corporate Social Responsibility – The Merlin Way

Merlin's Magic Wand

- Celebrating 10 years of our charity
- Over 500,000 tickets for children facing challenges of serious illnesses, disability and adversity since 2008
- Over 30 Magic Spaces projects open across the globe
- Global network of attractions involved

Sustainability and the Environment

- Carbon emissions reducing in line with 2% target
- Electricity usage ahead of target)
- 20 energy efficiency projects delivered across sites

SEA LIFE and WILD LIFE Conservation

- Focus on protecting sea turtles through our Team Turtle campaign and pledge website
- Our funding has helped to develop a mechanism to protect sea turtles from accidental capture in fishing nets through the simple use of LED lights – this could help save thousands of turtles

Accessibility

- Working with external advisor
- Investing in training and driving awareness
- Continual feedback and improvements



3. SIX STRATEGIC GROWTH DRIVERS

#1 EXISTING ESTATE CAPEX

Operating Group	Capex Cycle	Rationale	Benefits
Midway Attractions	<p>Up to 5 years N.B. Highest 'peak' is c.£5m but most are below £1m</p>	<ul style="list-style-type: none"> • High level of 'first time' tourist visitors means less emphasis on big capex new features • Investment level and cycle dependent on size, location and target market 	
LEGOLAND Parks	<p>4-year (peak, low, medium, low) N.B. 'Peak' is c.£7m</p>	<ul style="list-style-type: none"> • Strategic development / growth of LEGOLAND parks via themed 'lands' (e.g. LEGO Friends, NINJAGO) • Less emphasis on high capex thrill rides due to younger audience 	
Resort Theme Parks	<p>4-year (peak, low, medium, low) N.B. 'Peak' is c.£12m</p>	<ul style="list-style-type: none"> • Need for new rides and shows on regular basis, particularly for teen segment • Family attractions less capex intensive 	
			<p>Smooth cash needs</p> <p>Smooth utilisation of in-house resources</p> <p>Smooth EBITDA development</p>

#2 STRATEGIC SYNERGIES

LEVERAGING THE SCALE OF THE GROUP IN KEY MARKETS TO EXPLOIT ENHANCED OPERATIONAL, MARKETING AND BUYING POWER

Example

Merlin Annual Pass










- Merlin Annual Pass allows customers to visit all attractions within a particular country for an upfront fee
- Launched in key geographies where Merlin has achieved critical mass and achieved significant growth (inc. UK, Germany, Australia, USA)
- Key benefits:
 - Ability to drive customer loyalty and brand awareness
 - Increasing revenue visibility securing cash flows in advance
 - Increase levels of secondary spend

Example

accesso roll out

- accesso e-commerce ticketing platform now rolled out to majority of estate
- Future e-commerce benefits through short breaks, annual passes and cluster sales

Key benefits:

-  Mobile sales and ticketing
-  Upselling, cross-selling, quick-selling
-  Software as a Service (SaaS)
-  Standardisation
-  Cluster ticketing
-  Annual Pass management
-  Queue-busting

Example

Group Promotions

- National promotions at the Group level comprising promotional discounts or national marketing campaigns in conjunction with partners
- Provides multiple benefits
 - “Low cost” advertising and opportunities to build the attraction and brand profile. In addition provides brand association opportunities
 - Flexible pricing to manage visitor numbers in selected periods (e.g. “shoulder” periods) without impacting “peak” trading periods
 - Drive commercial spends for the relevant visitors
- Successfully conducted national retail promotions in the UK
 - Partners include Tesco, News International, McDonalds and Kellogg’s
 - Opportunity for similar campaigns elsewhere
- Future opportunities through new channels, in particular online, which will provide opportunities for more targeted promotions with lower lead times



#3 SHORT BREAK POSITIONING

- Merlin currently has c3,500 themed rooms across its theme park estate¹
- Multiple concepts from glamping and chalets, to 4* hotels and luxury lodges
- Clear rationale for investment in themed accommodation and the short break proposition (including second gates)
 - Increases park catchment area
 - Improved guest satisfaction (c8% differential between short break and park guest²)
 - Increases pre-booking, reducing volatility and allows for operational efficiencies
- Strong returns on both mature accommodation and recent openings
- Average annual investment of c£70-80m in new accommodation
- 2,000 rooms expected over 2018-21

	2016	2017	2018	2019 - 2021
New Rooms	210	383	644	1,300+



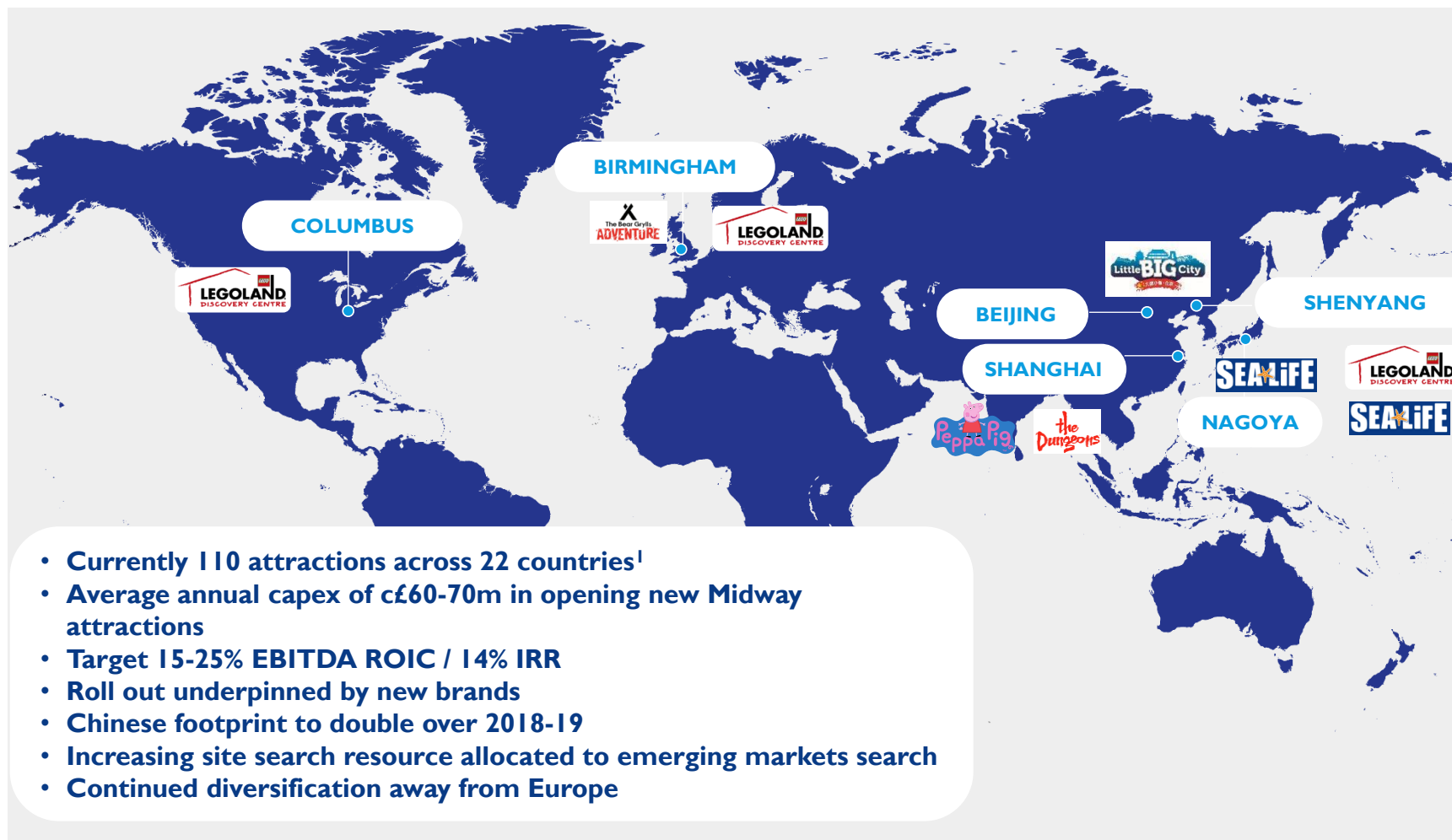
¹ Breakdown of rooms is detailed in the appendix

² Based upon touchscreen data

#4 MIDWAY ROLL OUT



Nine openings scheduled for 2018



¹ As at 30 December, 2017. Breakdown of attractions is detailed in the appendix

#5 NEW LEGOLAND PARKS

Three Flexible Business Models

Operated and Owned

- Five of existing eight parks
- Full operational control and park ownership
- Utilised in proven locations and geographies
- Requires material capital investment
- LEGOLAND New York under development



Operated and Leased

- E.g. Japan
- Full operational control / ownership of rides and LEGO theming
- Land and infrastructure assets for the park leased from partner
- Requires capital investment although fully funded from cash flow and targeted to deliver 20%+ ROIC / 14%+ IRR



Management Contract

- E.g. Malaysia, Dubai
- Operational control under a management contract
- Utilised in new markets and unproven locations, particularly when part of a broader development
- Low capital commitment model



OPERATED AND OWNED

High Ownership
All Operations

OPERATED AND LEASED

Medium Ownership
All Operations

MANAGEMENT CONTRACT

No Ownership
All Operations

#5 NEW LEGOLAND PARKS



#5 NEW LEGOLAND PARKS



LEGOLAND parks licensing and co-operation agreement

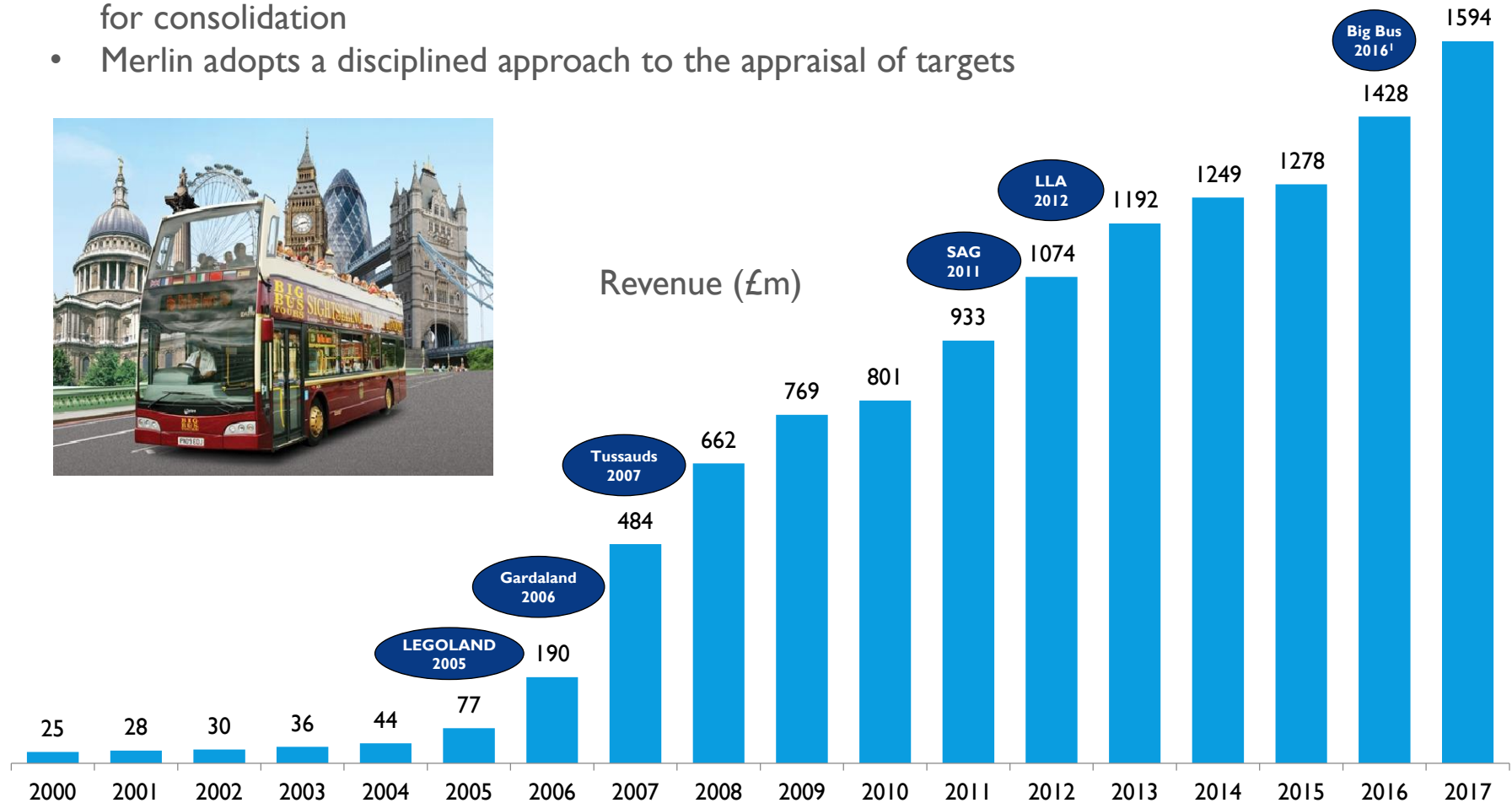
- KIRKBI, who are a 75% shareholder of the LEGO Group, are also a 29.7% shareholder in Merlin
- The Licensing and Co-operating Agreement ('LCA') was signed with LEGO in 2005 upon Merlin's acquisition of the four original parks in Denmark, California, UK and Germany
- Merlin pays a low single-digit % of revenue to KIRKBI for use of the brand
- In locations where Merlin owns or operates a LEGOLAND park, it enjoys exclusivity to do so, into perpetuity
- Where Merlin does not own a LEGOLAND park already, it has the global exclusivity to open further parks until beyond 2050. However, for every new LEGOLAND park that is opened, or for every eight LEGOLAND Discovery Centres that are opened, this is extended by seven years.
- Merlin could lose the right to operate the LEGOLAND brands were it to be acquired by a competitor of LEGO or an 'inappropriate person'
- Furthermore, Merlin could lose the license were guest satisfaction to fall below pre-determined levels. In this scenario, the relevant park would have a two year 'grace' period during which an improvement in performance would be sought, before the license is removed from that park. Other parks would be unaffected. Guest satisfaction levels are currently significantly above the minimum levels required

#6 STRATEGIC ACQUISITIONS

- A diversified and fragmented market provides significant scope for consolidation
- Merlin adopts a disciplined approach to the appraisal of targets



Revenue (£m)



¹ Minority stake acquired for \$34m

GUEST SATISFACTION AND VALUE FOR MONEY



- Guest feedback is monitored on a daily basis by both local and central Product Excellence teams, and is shared across all levels of the organisation.
- Merlin uses a number of channels to sell and distribute tickets, many of which will attract discounts from the advertised 'lead' price. These include:
 - Merlin Annual Passes
 - Online
 - Group Promotions (such as Kelloggs and News UK offers)
 - Trade and Tour Operators
 - Schools and Groups

Net Promoter
Score: >50%

Value for
Money: >90%

Overall guest
satisfaction:
>90%

Touchscreen data, based upon 2017 results

4. BRANDS AND ASSETS

MIDWAY ATTRACTIONS



SEA LIFE is the world's biggest aquarium brand, built around the notion of **Amazing Discoveries**, and home to a variety of creatures from shrimps and starfish to seahorses, rays, sharks and seals. SEA LIFE campaigns actively on a variety of conservation issues prioritised around breeding, rescue and protection of the marine environment.

x48 attractions

SEA LIFE

Madame Tussauds' heritage and the breath-taking artistry of the figures differentiate it from other wax attractions. **Famous Fun** is the heart of the experience, where visitors are encouraged to interact with all the historical and celebrity figures from Napoleon to One Direction!

x23 attractions

Madame Tussauds

LEGOLAND Discovery Centres are the ultimate LEGO indoor playground, with over two million bricks under one roof. With **Playful Learning** at the heart of the experience, they create a fun filled and interactive environment where children and parents are inspired to be creative.

x18 attractions

LEGOLAND
DISCOVERY CENTRE

Dungeons are a unique mix of dark, historical horror and irreverent humour delivered through set piece shows performed by live actors, rides and spine chillingly themed sets. **Scary Fun** is the goal, delivered daily to families, teenagers and young adults.

x9 attractions

the Dungeons

Each of our **Eye** observation attractions offers the ultimate viewing experience, unparalleled and different every time, giving a **Revealing Perspective** of the location's landscape and iconic landmarks.

x4 attractions





- Little BIG City is the new way to experience the history, culture and individuality of a city
- Created by Merlin Magic Making, and launched in Berlin in July 2017, we bring to life the most important events from medieval to modern Berlin using a captivating combination of special effects, storytelling and interactive miniature
- Second attraction to open in Beijing in 2018
- Global roll out opportunity



- Global exclusivity on the 'The Bear Grylls Adventure' concept
- Global media empire – 180 countries reaching 1.2bn people
- Growing market for adventure/experience-seekers
- Pilot attraction to open in Birmingham NEC, UK in November 2018, at £20m capital cost
- Second to open in USA or China
- Seek to establish international chain longer term



Top-10 ranking pre-school brand in 30 countries including US (Top 3 in China)



- Multi-territory exclusivity to roll out Location Based Entertainment
- Three product formats:
 - 'Peppa Play': £3-5m cost, indoor attraction
 - Mid scale parks
 - 'In-park' lands
- Peppa Play expected to open in tranches of five following initial pilots



LEGOLAND PARKS



LEGOLAND Parks are aimed at families with younger children and have LEGO as the central theme. Highly themed accommodation is central to our strategy to develop the customer offering. Merlin holds the global, exclusive rights to the LEGOLAND brand.



🧑‍🚒 LEGOLAND® Billund
1968

🧑‍🚒 LEGOLAND® California
March 1999

🧑‍🚒 LEGOLAND® Florida
October 2011

🧑‍🚒 LEGOLAND® Dubai
October 2016



1968

1996

1999

2002

2011

2012

2016

2017



🧑‍🚒 LEGOLAND® Windsor
March 1996

🧑‍🚒 LEGOLAND® Deutschland
May 2002

🧑‍🚒 LEGOLAND® Malaysia
Sept 2012

🧑‍🚒 LEGOLAND® Japan
April 2017

RESORT THEME PARKS



Alton Towers Resort is set in 500 acres of beautiful Staffordshire countryside. Boasting two themed hotels, the '**CBeebies hotel**' lodges and an indoor waterpark, it invites families, teenagers and young adults alike into a world of **Fantastical Escapism**.



THORPE PARK, the UK's third biggest theme park and acknowledged thrill capital for teenagers, young adults and older families. The resort includes the unique **THORPE SHARK Hotel**, offering bite-sized rooms in a stunning waterfront location.



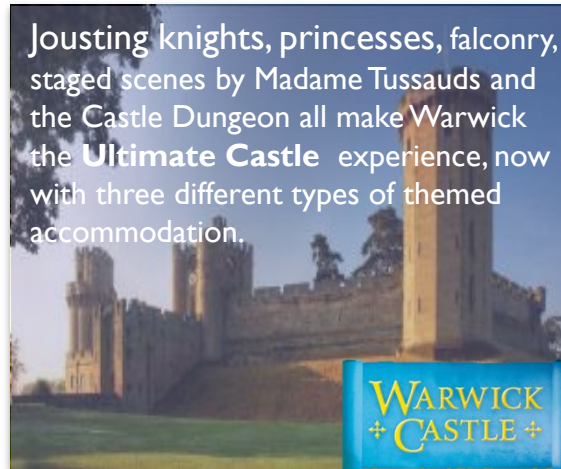
Wild Adventure is at the heart of **Chessington World of Adventures Resort**, with exotic themed lands and rides mixed with amazing creatures from around the world. Guests can stay in the heart of the adventure at our Safari and Azteca resort hotels, or even go glamping.



Heide Park is Germany's third biggest theme park with rides and attractions appealing to all ages, set in four lands of **Extraordinary Adventure**. The resort attracts visitors from all over Germany and beyond, who can stay in the **Heide Park Adventure Hotel** or adjacent Holiday Village.



Jousting knights, princesses, falconry, staged scenes by Madame Tussauds and the Castle Dungeon all make Warwick the **Ultimate Castle** experience, now with three different types of themed accommodation.

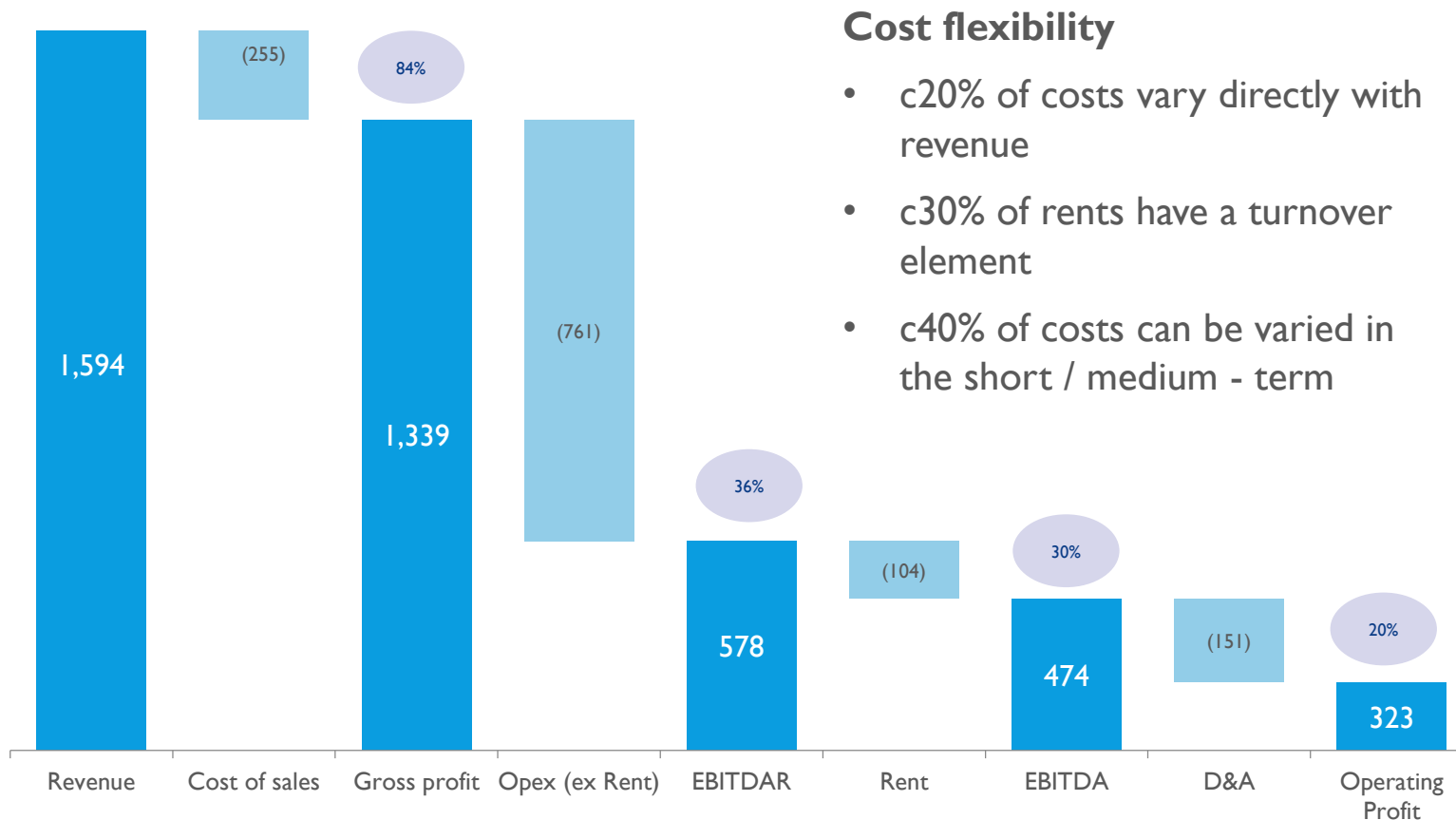


Gardaland Resort is Italy's leading theme park. Located on the edge of Lake Garda, it boasts rides for all ages set in a beautifully landscaped and themed worlds. **Big Fantasy Adventure** is all around, including at our **Fantasy** and **Adventure** hotels and adjacent SEA LIFE Centre.



5. FINANCIAL DYNAMICS AND PERFORMANCE

SUMMARY P&L



COST BREAKDOWN

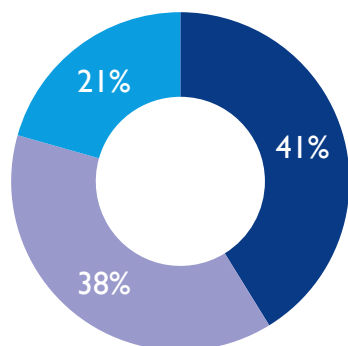


£millions, unless stated	2017	2016	Reported growth	Organic growth
Employment costs	420	379	11.0%	6.6%
% of revenue	26.4%	26.0%		
Rent	104	92	12.6%	9.6%
% of revenue	6.5%	6.3%		
Marketing	85	75	13.4%	8.3%
% of revenue	5.3%	5.1%		
Other	256	227	12.7%	8.5%
% of revenue	16.0%	15.6%		

REVENUE MIX

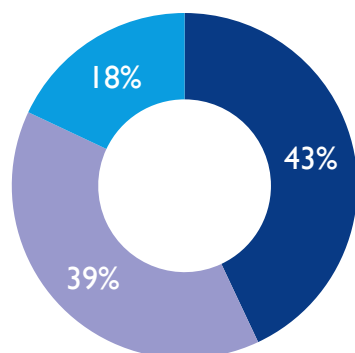


REVENUE SPLIT BY OP. GROUP



■ Midway ■ LLP ■ RTP

REVENUE SPLIT BY TENURE



■ Freehold ■ Long lease ■ Short lease

REVENUE SPLIT BY TYPE

■ Admissions ■ Commercial¹ ■ Accom ■ Non-per cap



Visitor revenue

SPEND AND MARGINS

	Revenue per capita	Admissions/Commercial ²	EBITDAR Margin	EBITDA Margin
Midway	£15.66	79/21	43.7%	33.5%
LLP	£37.73	56/44	39.3%	37.8%
RTP	£25.78	59/41	30.1%	21.8%
Group	£21.75	67/33	36.3%	29.7%

- Greater opportunity for F&B / Retail revenue in theme parks
- Margins impacted by tenure of property and mix of revenue type
- LLP royalty payments and higher retail spend (LEGO products)

¹ Commercial : Food and Beverage / Retail / Photos and Games

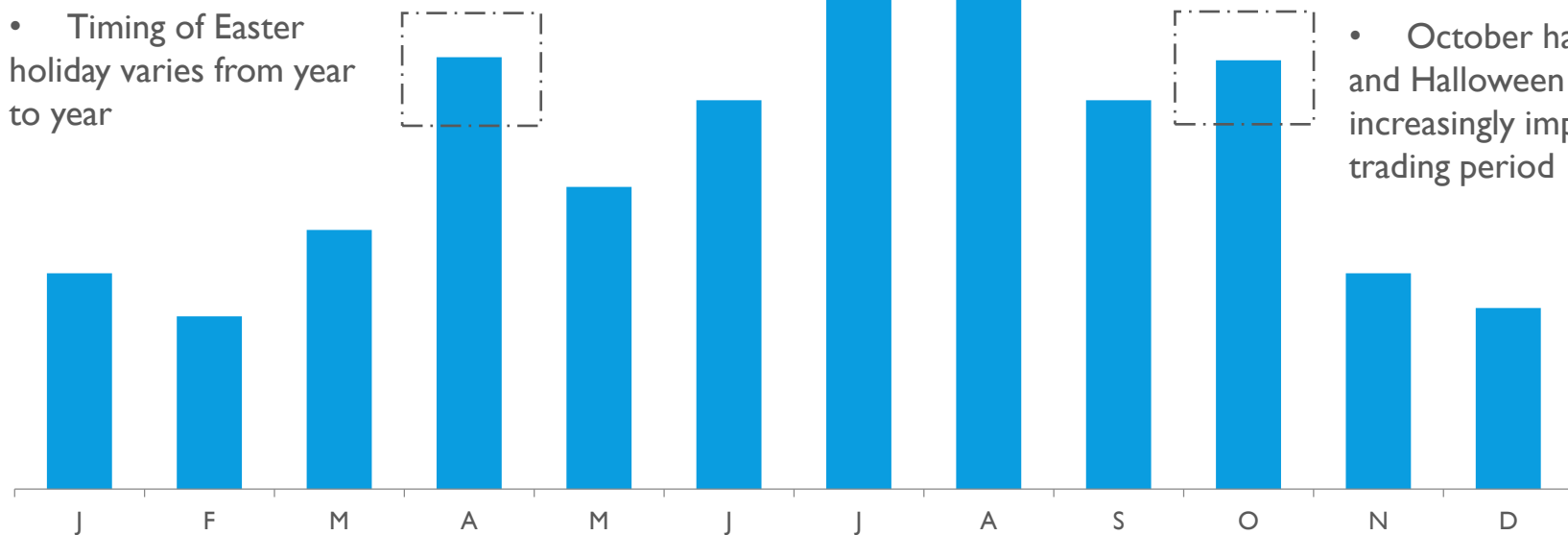
² 2017 % split of In-Park' spend (Admission and Commercial)

REVENUE SEASONALITY

Weighting

	HI	H2
Revenue	43%	57%
EBITDA	30%	70%

- Timing of Easter holiday varies from year to year



- Summer and school holidays represents key trading periods
- Global diversification, Midway roll out and accommodation reduces seasonality

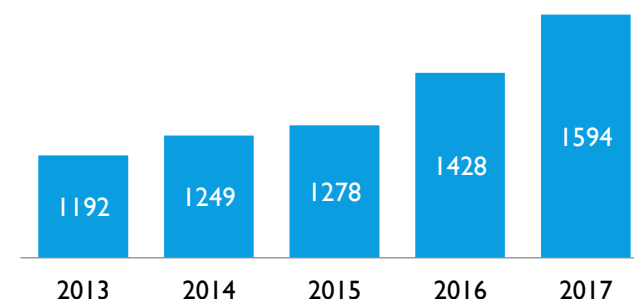
- October half term and Halloween an increasingly important trading period

FINANCIAL PERFORMANCE

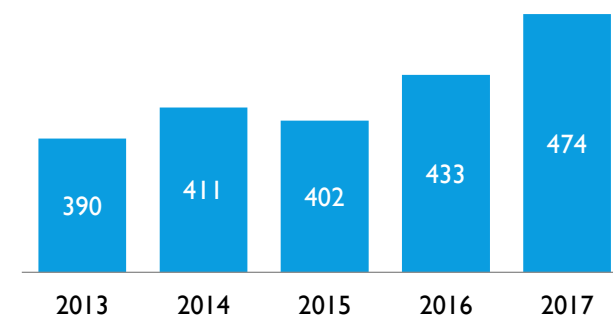


	2013 £m	2014 £m	2015 £m	2016 ² £m	2017 £m
Total visitors ¹	59.8	62.8	62.9	63.8	66.0
<i>Growth</i>	10.7%	4.9%	0.3%	1.3%	3.5%
Revenue	1,192	1,249	1,278	1,428	1,594
<i>Organic growth</i>	9.1%	9.6%	3.9%	3.6%	6.6%
<i>LFL Growth</i>	6.7%	7.1%	0.4%	1.4%	0.7%
Underlying EBITDA	390	411	402	433	474
<i>Margin</i>	32.7%	32.9%	31.5%	30.3%	29.7%
Capex					
Existing estate	95	107	125	141	159
<i>% of revenue</i>	8.0%	8.5%	9.8%	9.8%	10.0%
NBD	57	85	90	118	177
Total capex	152	192	215	259	336

REVENUE CAGR 2013-17 OF 7.6%



EBITDA CAGR 2013-17 OF 5.0%



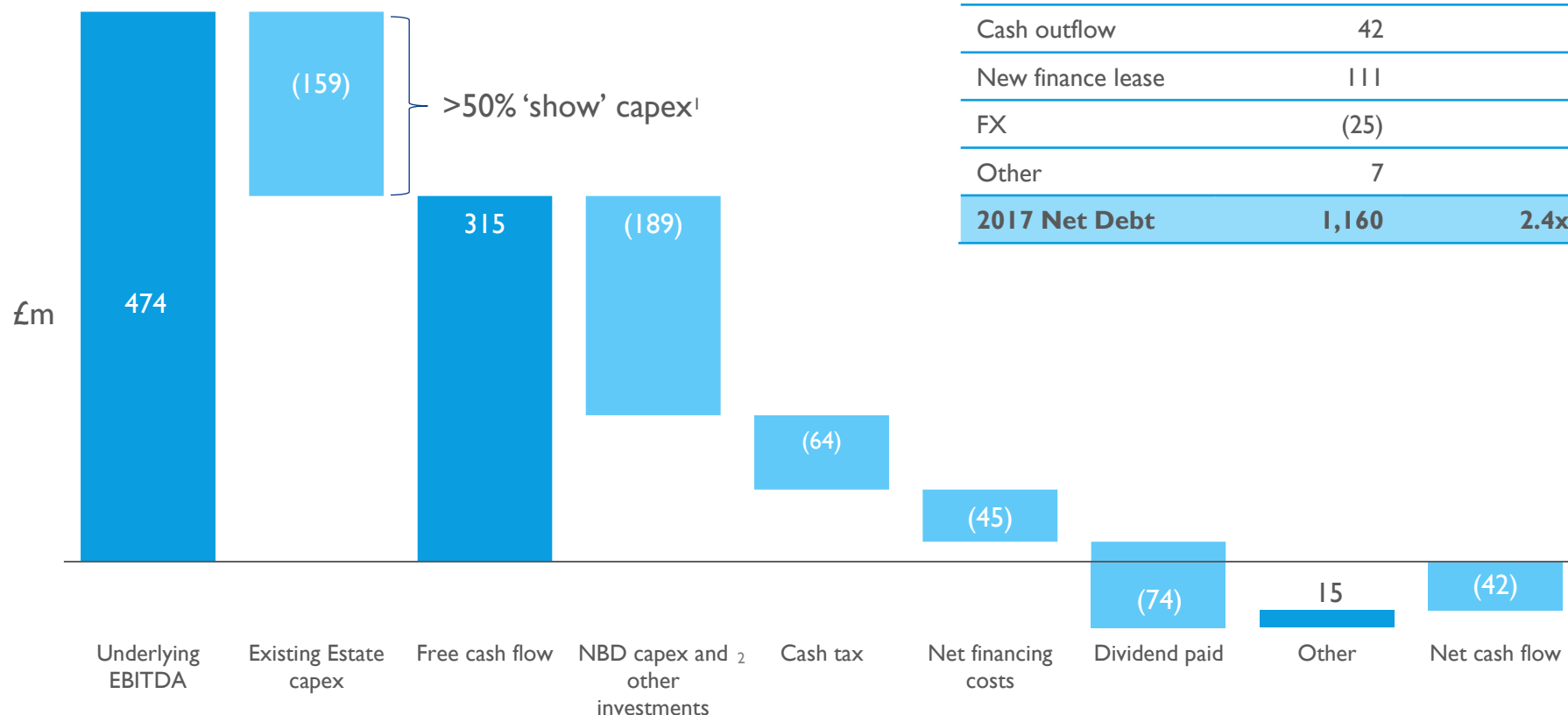
¹ All visitors to Merlin owned or operated attractions

² Based on 52 weeks results

CASH FLOW



Operating free cash flow funds New Business Development



	£m	ND/EBITDA
2016 Net Debt	1,025	2.3x
Cash outflow	42	
New finance lease	111	
FX	(25)	
Other	7	
2017 Net Debt	1,160	2.4x

¹ 'Show' capex represents investment made on activities such as new product and features as opposed to repairs and maintenance

² Includes LL Dubai hotel investment

NET DEBT



£millions, unless stated	2017	2016
Loans and borrowings	1,278	1,152
Cash and cash equivalents	(309)	(215)
Net Debt (excluding finance leases)	969	937
Finance lease obligations	191	88
Net Debt	1,160	1,025
Net Debt / EBITDA	2.4x	2.3x

Credit Ratings

- S&P: BB, stable outlook
- Moody's : Ba2, stable outlook
- Continued strong cash generation to support strategy
- Believe 2-3x net debt / EBITDA to be appropriate level of leverage

DEBT FACILITIES

	Total (£m)	Maturity	Interest rate
5Y Term Loan	649	2020	L/E + 200bps
Bond	622	2022	Fixed 275 bps
Drawn Term Debt	1,271		
£300m RCF (undrawn)	300	2020	L/E + 175bps
Total Facilities	1,571		

- 2020 bank facilities comprise £250m and \$540m floating rate term loan maturing in March 2020
- €700m bond matures in March 2022

6. BOARD AND MANAGEMENT

BOARD OF DIRECTORS








Sir John Sunderland	Chairman	<ul style="list-style-type: none"> Length of tenure : 4 years Skills and experience : Sir John has over 40 years' experience in business and is an experienced Chairman, having held the same position at Cadbury Schweppes for 5 years until 2008. Sir John was previously Chief Executive Officer at Cadbury Schweppes, President of the Confederation of British Industry, a Non-executive Director at Barclays Bank plc and AFC Energy plc, a Director of the Financial Reporting Council and Chairman of Cambridge Education Group. Current external appointments : Chancellor of Aston University and Adviser to CVC Capital Partners. 	
Charles Gurassa	Senior Independent Non-executive Director	<ul style="list-style-type: none"> Length of tenure : 4 years Skills and experience : Charles has over 30 years' experience in management roles with a primary focus on the travel and tourism industry. Notably he has been Chairman of Virgin Mobile plc, LOVEFiLM, Phones4U and TUI Northern Europe, Chief Executive of Thomson Travel Group plc, and Non-executive Chairman of Genesis Housing Association and a Non-executive Director at Whitbread plc. Current external appointments : Non-executive Chairman of Channel 4 and Deputy Chairman at EasyJet plc and a trustee of English Heritage and the Migration Museum, Director of English Heritage Trading Limited. 	
Nick Varney	Group Chief Executive Officer	<ul style="list-style-type: none"> Length of tenure : 4 years Skills and experience : With over 25 years in the visitor attractions industry, Nick was appointed Chief Executive Officer of Merlin Entertainments in 1999. He led the management buy-out from Vardon Attractions to form Merlin and took the Company through rapid expansion until its successful 2013 Listing on the London Stock Exchange. Prior to joining Vardon Attractions, Nick held senior management and marketing positions at The Tussauds Group (then a part of Pearson plc), Reckitt & Colman and Rowntree. Current external appointments : Chairman of the British Hospitality Association. 	
Anne-Francoise Nesmes	Group Chief Financial Officer	<ul style="list-style-type: none"> Length of tenure : 1 year Skills and experience : With over 24 years' experience in finance across international organisations, Anne-Francoise brings a strong focus on strategy execution, M&A, process improvement and governance. Prior to joining Merlin, Anne-Francoise was Chief Financial Officer at Dechra Pharmaceuticals PLC, where she led the expansion of its international footprint and delivered significant efficiencies through modernising Finance and R&D processes. 	

Length of tenures are since Merlin IPO 2013

BOARD OF DIRECTORS



Fru Hazlitt	Non-executive Director	<ul style="list-style-type: none"> Length of tenure : 3 years Skills and experience : Fru brings a wealth of experience in sales and marketing with over 20 years within the media sector. Fru was formerly Managing Director, Commercial, Online and Interactive at ITV, and previously Chief Executive Officer at GCap Media plc and Virgin Radio. Current external appointments : Deputy Chair of Downe House Foundation, Non-executive Director at Channel 4. 	
Ken Hydon	Non-executive Director	<ul style="list-style-type: none"> Length of tenure : 4 years (Ken Hydon has confirmed that he will retire from the board at the 2018 Annual General Meeting) Skills and experience : Ken has over 40 years' experience working in the electronics, retail, consumer products and healthcare sectors and brings valuable finance and business experience to the Board. Ken was formerly Chief Financial Officer of Vodafone Group plc until his retirement in 2005. Current external appointments : Non-executive Director of Reckitt Benckiser 	
Rachel Chiang	Non-executive Director	<ul style="list-style-type: none"> Length of tenure : 2 years Skills and experience : Rachel has over 24 years of private equity investment experience in Asia with a focus on the retail and consumer sector. Rachel brings significant knowledge and experience of the Asia Pacific market, a key area of focus in Merlin's future development. Current external appointments : Managing Partner and founding member of the private equity activities of Pacific Alliance Group (PAG) Non-executive positions with Sands China, Pacific Century Premium Developments (PCPD) and Goodbaby International Ltd 	
Søren Thorup Sørensen	Non-executive Director	<ul style="list-style-type: none"> Length of tenure : 4 years Skills and experience : Søren has over 25 years' experience in finance and has held several senior finance and executive positions, most notably Partner, Chief Financial Officer of A.P. Møller – Maersk Group and Managing Partner of KPMG Denmark. Current external appointments : Chief Executive Officer of KIRKBI A/S and KIRKBI Estates Limited, Chairman of the Board of Boston Holding A/S, Non-executive Director of LEGO A/S and Falck Holding A/S 	
Trudy Rautio	Non-executive Director	<ul style="list-style-type: none"> Length of tenure : 2 years Skills and experience : Trudy has over 20 years' experience in the hospitality and travel industry. Trudy held several senior executive positions with Carlson, having served as Executive Vice President, Chief Financial and Administrative Officer and finally Chief Executive Officer until her retirement in 2015. Current external appointments : Member of the Board of Directors for Cargill, The Donaldson Company, Inc., and Securian Holding Company. 	

Length of tenures are since Merlin IPO 2013

SENIOR MANAGEMENT TEAM



Nick Varney

CEO
(27 years)

Anne-Francoise Nesmes

CFO
(1 year)



Nick Mackenzie
Managing Director
Midway Attractions
(15 years)

Hans Aksel Pedersen
Managing Director
LEGOLAND Parks
(18 years)

Justin Platt
Managing Director
Resort Theme Parks
(7 years)






John Jakobsen
CNOO
New Openings Group
(32 years)

Mark Fisher
CDO
Merlin Magic Making
(26 years)

**OVER 100 YEARS COMBINED EXPERIENCE AMONGST SENIOR
MANAGEMENT TEAM**

MANAGING DIRECTORS



Nick Mackenzie	Managing Director, Midway Attractions	<ul style="list-style-type: none"> Nick was appointed as Managing Director, Midway Attractions in June 2015 Previously, Nick was the Managing Director of Merlin's Property and Development Group and also MD of Resort Theme Parks Nick is a qualified chartered surveyor, working first with the brewer Bass PLC and then with Allied Domecq as their Acquisitions Director. This was followed by three years at Diageo as the Development Director for Burger King. 	
Hans Aksel Pedersen	Managing Director, LEGOLAND Parks	<ul style="list-style-type: none"> Hans Aksel was appointed as Managing Director, LEGOLAND Parks in June 2015 Hans has more than 28 years of extensive experience in both FMCG and the entertainment industry across general management, global brand building, consumer & trade marketing, new product development and people management. Hans Aksel has been with LEGOLAND for 18 years, starting with the original LEGOLAND park in Billund in Denmark in 2000. In 2008, he moved into an operational role as Divisional Director managing LEGOLAND Deutschland; and in 2014 took a new role as Divisional Director LEGOLAND Parks USA, overseeing the continued resort development of both parks and hotels in LEGOLAND California and LEGOLAND Florida. 	
Justin Platt	Managing Director, Resort Theme Parks	<ul style="list-style-type: none"> Justin was appointed as Managing Director, Resort Theme Parks in June 2015 Previously, Justin was the Marketing Director for Resort Theme Parks and prior to that Marketing Director for Alton Towers Resort Justin has a very strong global marketing pedigree both in FMCG with Kellogg's, and pharmaceuticals with GSK and AstraZeneca where he was Global Marketing Director 	
Mark Fisher	Chief Development Officer	<ul style="list-style-type: none"> Mark was appointed Chief Development Officer, managing Merlin Magic Making, in 2011 Following the acquisition of the Tussauds Group in 2007, Mark became the Managing Director of Resort Theme Parks Mark joined The Tussauds Group in 1991 and Merlin in 1995. He has been a senior member of the management team throughout its impressive growth period, playing a key role as part of the original management buyout team from Vardon plc, and in the ongoing organic development which has been at the heart of the company's success. 	
John Jakobsen	Chief New Openings Officer	<ul style="list-style-type: none"> John took on his current role of Chief New Openings Officer in June 2015. Appointed Managing Director of LEGOLAND Parks in 2007 following the acquisition of the Tussauds Group John was previously President and General Manager of LEGOLAND California and General Manager of LEGOLAND Deutschland John joined the LEGOLAND business in 1985 and was involved in the strategic planning of LEGOLAND California, LEGOLAND Windsor, and LEGOLAND Deutschland 	

ATTRACTION NUMBERS AND GLOSSARY

ATTRACTION COUNT



	UK		Cont. Europe			Americas			Asia Pacific			Group			
	Dec 16	Mov't	Dec 17	Dec 16	Mov't	Dec 17	Dec 16	Mov't	Dec 17	Dec 16	Mov't	Dec 17	Dec 16	Mov't	Dec 17
SEA LIFE	13	-	13	18	-	18	8	-	8	8	1	9	47	1	48
Madame Tussauds	2	-	2	4	-	4	6	1	7	9	1	10	21	2	23
Dungeons	5	-	5	3	-	3	1	-	1	-	-	-	9	-	9
LDC	1	-	1	3	-	3	9	1	10	3	1	4	16	2	18
Eye	2	-	2	-	-	-	1	-	1	1	-	1	4	-	4
Other	1	-	1	-	1	1	-	-	-	6	-	6	7	1	8
Midway	24	-	24	28	1	29	25	2	27	27	3	30	104	6	110
LLP	1	-	1	2	-	2	2	-	2	2	1	3	7	1	8
RTP	4	-	4	2	-	2	-	-	-	-	-	-	6	-	6
Group	29	-	29	32	1	33	27	2	29	29	4	33	117	7	124

ACCOMMODATION COUNT



	Dec 16	Rooms opened	Other movements	Dec 17
Billund (Denmark)	356	80	-	436
California	250	-	-	250
Deutschland	319	-	-	319
Florida	152	166	-	318
Malaysia	249	-	9	258
Windsor (UK)	150	61	(2)	209
Dubai	-	-	-	-
Japan	-	-	-	-
LEGOLAND Parks	1,476	307	7	1,790
Alton Towers (UK)	516	76	-	592
Chessington World of Adventures (UK)	254	-	-	254
Gardaland (Italy)	347	-	-	347
Heide Park (Germany)	329	-	-	329
Thorpe Park (UK)	90	-	-	90
Warwick Castle (UK)	71	-	(4)	67
Resort Theme Parks	1,607	76	(4)	1,679
Group	3,083	383	3	3,469

Table shows movement in room count net of any closures in the period.
 Increase at LEGOLAND Malaysia relates to a reconfiguration of existing rooms.
 Excludes campsite pitches at LEGOLAND Deutschland and LEGOLAND Billund.

GLOSSARY



Key terms	Definition
ARR	Average Room Rate
Cluster	A group of attractions located in a city close to one another
Constant Currency growth	Using 2017 exchange rates
EBITDA	Underlying basis, excluding exceptional items
LBC	Little BIG City
FX	Effective of movements in foreign exchange
LDC	LEGOLAND Discovery Centre
Lead price	Face value of a ticket, which may then be discounted
LFL	2017 Like for like growth refers to the growth between 2016 and 2017 on a constant currency basis using 2017 exchange rates and includes all businesses owned and operated before the start of 2016
LLP	LEGOLAND Parks Operating Group
MAT	Moving Annual Total
Midway	Midway Attractions Operating Group
NBD	New Business Development

Key terms	Definition
Net Promoter Score	An index that measures the willingness of customers to recommend a company's products or services to others
Organic Growth	Growth from like for like and New Business Development, at constant currency
Operating free cash flow	EBITDA less Existing Estate Capex
Resident Market	The total population living within a two-hour drive of the attractions
ROCE	Underlying Operating Profit after tax divided by average net operating assets
ROIC	Average EBITDA over the first five years divided by total development capex
RPC	Revenue per Cap, defined as Visitor Revenue divided by number of visitors
RTP	Resort Theme Parks Operating Group
Second Gate	A visitor attraction at an existing resort with a separate entrance and for which additional admission fees are charged
SLC	SEA LIFE Centre
Top Box Satisfaction	The top box score is the sum of percentages for the top one, two or three highest points on guest satisfaction scale.
Underlying	Underlying information presented excludes exceptional items that are classified separately within the financial statements
Visitors	Represents all individual visits to Merlin owned or operated attractions
YOY	Year on year

ADR PROGRAMME



- Merlin Entertainments has a sponsored Level I American Depositary Receipt (ADR) programme for which Citibank acts as depositary bank.
- An ADR (American Depositary Receipt) is a security designed to facilitate the ownership of shares in non-US companies by investors based in the United States.
- An ADR is quoted in dollars and is traded like any other security.

ADR symbol	MERLY
CUSIP	59010Q205
Depository bank	Citibank
Platform	OTC
ADR ratio (ORD:DR)	2:1
Country	UK
Industry	Travel & Leisure
Effective date	1 September 2015
Underlying SEDOL	BDZT6P9
Underlying ISIN	GB00BDZT6P94
US ISIN	US59010Q2057

MERLIN INVESTOR RELATIONS



The Merlin Investor Relations would be happy to assist with any enquiries investors may have.



Simon Whittington
Head of Investor Relations



Debbie Fisher
Investor Relations Manager

investor.relations@merlinentertainments.biz

FORWARD-LOOKING STATEMENTS DISCLAIMER



The information contained in this presentation has not been independently verified and this presentation contains various forward-looking statements that reflect managements current views with respect to future events and financial and operational performance. The words “anticipate”, “target”, “expect”, “estimate”, “intend”, “plan”, “goal”, “believe” and similar expressions or variations on such expressions identify certain of these forward-looking statements. Others can be identified from the context in which the statements are made. These forward-looking statements involve known and unknown risks, uncertainties, assumptions, estimates and other factors, which may be beyond Merlin Entertainments plc’s (the “Group’s”) control and which may cause actual results or performance to differ materially from those expressed or implied from such forward-looking statements. All statements (including forward-looking statements) contained herein are made and reflect knowledge and information available as of the date of preparation of this presentation and the Group disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements due to the inherent uncertainty therein. Nothing in this document should be construed as a profit forecast.

