WHAT IS MERLIN?

- Global leader in location based entertainment with world class brands
- No. 1 in Europe and No. 2 only to Disney worldwide\(^1\)

**Two products**
- Midway: indoor, up to two hour dwell time, located in city centres or resorts
- Theme parks: outdoor, 1 – 3 day destination venues increasingly with on-site accommodation

**Three Operating Groups\(^2\)**
- Midway Attractions (99 attractions, 42% of 2014 revenue)
- LEGOLAND Parks (6 parks, 31% of revenue)
- Resort Theme Parks (6 parks, 27% of revenue)

Supported by Merlin Magic Making, our unique creative and production resource

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\(^1\) Based on number of visitors as reported by AECOM 2014 Theme Index

\(^2\) Number of attractions as at 17 September, 2015
UNIQUE PORTFOLIO OF FAMILY ENTERTAINMENT BRANDS AND ICONIC ASSETS

Midway Attractions
- High quality, chainable international brands with global appeal
- Brands positioned across all key target demographics
- Portfolio provides substantial benefits
  - Natural hedge across geographic markets and target demographics
  - Opportunities to create “clusters”
  - Ability to leverage scale and synergies
- Significant roll out opportunity - “100+ potential locations identified”
- Potential to expand portfolio with further brands

LEGOLAND Parks
- “Playful Learning”
- Leading global brands (LEGO, LEGOLAND)
- Attractive target demographic (families with children 2 – 12)
  - High levels of repeat visitation
- Mutually synergistic relationship with LEGO
- Substantial potential to develop new markets / parks

Resort Theme Parks
- National brands with high brand and customer awareness
- Leading market positions
  - 4 of Europe’s largest top 20 theme parks (6 including LLPs)¹
  - Leading theme parks in UK, Italy, and Northern Germany
  - 3 of the top 4 theme parks in the UK (4 including LLW)¹
  - Each theme park is pre-eminent in their market
- Positioned to appeal across various target demographics

COMPPELLING BRANDS AND DIVERSE BUSINESS WITH HIGH GROWTH AND RETURN CHARACTERISTICS

---

¹ Based on number of number of visitors as reported by AECOM 2014 Theme Index.
LLW refers to LEGOLAND Windsor. LLP refers to LEGOLAND Parks Operating Group. See appendix for further definitions
**ATTRACTIVE MARKET TRENDS**

**Growth in Leisure Spending**
Leisure spending CAGR of 6% over 2009-13 and forecast to grow by c.5% p.a. from 2013-18¹

**Expansion in Leisure Time**
Income growth, increase vacation days, and greater “spare time”

**Expansion of the Middle Class in Emerging Economies**
Number of Chinese middle class households expected to increase from 47m in 2010 to 472m in 2020²

**Increase in International Tourism**
Growth in leisure time and expansion of middle classes has driven increased international tourism

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Leisure spending CAGR of 6% over 2009-13 and forecast to grow by c.5% p.a. from 2013-18¹

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**Increase in International Tourism**
Growth in leisure time and expansion of middle classes has driven increased international tourism

**Growth in Short Breaks**
Cultural and financial factors driving growth in short breaks

**Market Fragmentation**
Outside of the large Theme Park companies, the private visitor attractions market remains highly fragmented

---

¹ Marketline “Global Hotels, Restaurants & Leisure” report, 2014
² The Economist, 12 September, 2015
³ Euromonitor International Top City Destination Ranking, 2014
### CLEAR COMPETITIVE ADVANTAGES

<table>
<thead>
<tr>
<th>Brands</th>
<th>Technical and Creative Expertise</th>
<th>Scarcity Value and Capital Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sealife</td>
<td><strong>Identify new sites</strong>&lt;br&gt;&lt;br&gt;<strong>Lease negotiation</strong></td>
<td><strong>Significant initial capital requirements for new parks</strong>&lt;br&gt;&lt;br&gt;<strong>Average new theme park requires minimum c.£200m in capital investment</strong>&lt;br&gt;&lt;br&gt;<strong>Funds also required to cover lengthy lead times</strong></td>
</tr>
<tr>
<td>Madame Tussauds</td>
<td><strong>New products (e.g. rides, hotels etc)</strong>&lt;br&gt;&lt;br&gt;<strong>Develop IP content</strong></td>
<td><strong>Regulatory and planning restrictions creating significant lead times for new parks</strong>&lt;br&gt;&lt;br&gt;<strong>Potentially 3 – 4 years required to obtain all the necessary approvals</strong>&lt;br&gt;&lt;br&gt;<strong>Overall lead times of 4 – 6 years to complete the process of designing, funding and obtaining approvals</strong></td>
</tr>
<tr>
<td>Legoland</td>
<td><strong>New wax figures</strong>&lt;br&gt;&lt;br&gt;<strong>New LEGO models</strong>&lt;br&gt;&lt;br&gt;<strong>Marine displays</strong></td>
<td><strong>Scarcity of sites for new parks</strong>&lt;br&gt;&lt;br&gt;<strong>Few available spaces in highly attractive markets (e.g. UK)</strong></td>
</tr>
<tr>
<td>The Dungeons</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
STRATEGY SINCE 1999

“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”

Revenue by Geography

- UK 39%
- North America 22%
- Continental Europe 26%
- Asia Pacific 13%

Long term ambition of even split between Europe, Americas and Asia Pacific

Revenue by weather exposure

- Outdoor 60%
- Indoor 40%

57% of revenue from sites open all year round

Visitors by Tourist / Domestic

- Tourist 36%
- Domestic 64%

Not reliant upon ‘fly-in’ market

Pre-booked revenue

- Same day 51%
- Pre-booked and Annual Pass 49%

Increasing levels of pre-booked revenue leads to reduced site-level volatility.

1 Total revenue, 2014
2 Total 2014 visitors, based on touchscreen data
3 Total admissions revenue, 2014
WORLD OF ATTRACTIONS

NORTH AMERICA ATTRACTIONS
- Arizona
- California
- Charlotte
- Dallas
- Kansas City
- Michigan
- Minnesota
- Orlando
- Hollywood
- Las Vegas
- New York
- Orlando
- San Francisco
- Washington DC
- Atlanta
- Boston
- Chicago
- Dallas
- Kansas City
- Toronto
- Westchester

EUROPE ATTRACTIONS
- Benalmadena
- Berlin
- Blankenberge
- Bray
- Gardaland
- Hanover
- Helsinki
- Istanbul
- Liseberg
- Königswinter
- Köln
- Mülheim
- Oberhausen
- Paris
- Porto
- Schoenbrunn
- Speyer
- Tübbinger Tor
- Strand
- Amsterdam
- Berlin
- Hamburg
- Sölden
- Billund
- Grönsbürg
- Berlin
- Istanbul
- Oberhausen

AUSTRALIA/NEW ZEALAND ATTRACTIONS
- Auckland
- Melbourne
- Mooloolaba
- Sydney
- Manly
- Sydney
- Hamilton Island
- Sydney

ASIA ATTRACTIONS
- Bangkok
- Busan
- Shanghai
- Beijing
- Ningbo
- Hong Kong
- Singapore
- Shanghai
- Tokyo
- Wuhan

UK ATTRACTIONS
- Birmingham
- Blackpool
- Brighton
- Glastonbury
- Manchester
- Scarborough
- Westmington
- York
- London
- Manchester
- London
- Edinburgh
- Warwick
- Chester
- London
- Winchester
- Manchester
- London

MERLIN ENTERTAINMENTS

*2015 Openings
### SIX STRATEGIC GROWTH DRIVERS

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>ROIC/EBITDA Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Existing estate growth via capex</td>
<td>Mid-single digit</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Like for Like</td>
</tr>
<tr>
<td></td>
<td></td>
<td>EBITDA Growth</td>
</tr>
<tr>
<td></td>
<td></td>
<td>+</td>
</tr>
<tr>
<td></td>
<td></td>
<td>&gt;15% ROIC on</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Accommodation</td>
</tr>
<tr>
<td>2</td>
<td>Strategic synergies</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Transformation of theme parks into short break destinations</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Midway roll out</td>
<td>&gt;20% ROIC</td>
</tr>
<tr>
<td>5</td>
<td>Developing new LEGOLAND parks</td>
<td>Synergised &gt;20% ROIC</td>
</tr>
<tr>
<td>6</td>
<td>Strategic acquisitions</td>
<td></td>
</tr>
</tbody>
</table>
2015 PROGRESS ON STRATEGIC GROWTH DRIVERS

Capex cycle – ‘High Year’ investments, including: Gardaland; LEGOLAND Windsor; Madame Tussauds London and Berlin

Synergies – Agreement announced with accesso to roll out a new ticketing and admissions solution

Destination positioning – New accommodation at LEGOLAND Florida and Alton Towers

Midway roll out – Seven new openings, including the new ‘Shrek’s Adventure!’ attraction in London

**Revenue Analysis**

- **P&L Analysis (2014)**
  - **Revenue Analysis**
    - Revenue: £1,249
    - Cost of sales: £1,068
    - Gross profit: £1,249
    - Opex (ex Rent): £494
    - Rent: £411
    - EBITDAR: £181
    - D&A: £311
    - Operating Profit: £181

- **Cost flexibility**
  - c20% of costs vary directly with revenue
  - c30% of rents have a turnover element
  - c40% of costs can be varied in the short / medium - term

- **Revenue Seasonality**
  - **2014 Revenue**
    - H1: 41% (Wk 1-18: 24%\(^1\))
    - H2: 59% (Wk 19-26: 17%\(^1\))
    - Wk 27-36: 35%\(^1\)
    - Wk 37-52: 24%\(^1\)

- **2014 EBITDA**
  - H1: 29%
  - H2: 71%

- **Spend and Margins**
  - **Revenue per capita**
    - Midway: £13.35
    - LLP: £29.97
    - RTP: £22.75
  - **Admissions/ Secondary**
    - Midway: 80/20
    - LLP: 54/46
    - RTP: 60/40
  - **EBITDAR Margin**
    - Midway: 50.9%
    - LLP: 37.4%
    - RTP: 33.9%
  - **EBITDA Margin**
    - Midway: 40.5%
    - LLP: 36.9%
    - RTP: 26.3%
  - **Op. Profit Margin**
    - Midway: 31.5%
    - LLP: 31.0%
    - RTP: 18.2%

- **Group**
  - £18.15
  - 68/32
  - 39.5%
  - 32.9%
  - 24.9%

- **Note:** All analysis based upon 2014 results

---

\(^1\) % of 2014 FY revenue. September Trading Update reports up to and including week 36 which is the first week in September

\(^2\) 2014 % split of ‘In-Park’ spend (Admission and Secondary)
## Average like for like revenue growth, 2010-14:

<table>
<thead>
<tr>
<th></th>
<th>2010 £m</th>
<th>2011 £m</th>
<th>2012 £m</th>
<th>2013 £m</th>
<th>2014 £m</th>
<th>CAGR Reported FX %</th>
<th>CAGR Constant FX %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total visitors²</td>
<td>41.0</td>
<td>47.3</td>
<td>54.0</td>
<td>59.8</td>
<td>62.8</td>
<td>11.2%</td>
<td>11.2%</td>
</tr>
<tr>
<td>Revenue</td>
<td>801</td>
<td>946</td>
<td>1,074</td>
<td>1,192</td>
<td>1,249</td>
<td>11.8%</td>
<td>12.6%</td>
</tr>
<tr>
<td>Underlying EBITDA</td>
<td>256</td>
<td>306</td>
<td>346</td>
<td>390</td>
<td>411</td>
<td>12.6%</td>
<td>13.4%</td>
</tr>
<tr>
<td>Underlying operating profit</td>
<td>198</td>
<td>232</td>
<td>258</td>
<td>290</td>
<td>311</td>
<td>11.9%</td>
<td>12.8%</td>
</tr>
</tbody>
</table>

## Average like for like EBITDA growth, 2010-14:

<table>
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<tr>
<th></th>
<th>2010</th>
<th>2011</th>
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<td>290</td>
<td>311</td>
<td>11.9%</td>
<td>12.8%</td>
</tr>
</tbody>
</table>

### Capex

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>% of Revenue</th>
<th>NBD</th>
<th>Total capex</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing estate³</td>
<td>74</td>
<td>87</td>
<td>92</td>
<td>95</td>
<td>107</td>
<td>9.3%</td>
<td>29</td>
<td>103</td>
</tr>
<tr>
<td>NBD⁴</td>
<td>29</td>
<td>87</td>
<td>71</td>
<td>57</td>
<td>85</td>
<td>9.3%</td>
<td>8.6%</td>
<td>174</td>
</tr>
<tr>
<td>Total capex</td>
<td>103</td>
<td>174</td>
<td>163</td>
<td>152</td>
<td>192</td>
<td>8.6%</td>
<td>8.0%</td>
<td>163</td>
</tr>
</tbody>
</table>

---

As reported figures. 2011 figures on a 53 week basis except for LFL growth rates and charts which are on a 52 week basis.

1 Average based on reported LFL growth rates

2 All visitors to Merlin owned or operated attractions

3 Includes capital expenditure incurred in connection with the capsule refurbishment for the London Eye between 2008-12

4 New Business Development. 2010 excludes acquisition of Cypress Gardens – cost of £16 million
CASHFLOW

<table>
<thead>
<tr>
<th>Source</th>
<th>2013 Net Debt</th>
<th>2014 Net Debt</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>1,006</td>
<td></td>
</tr>
<tr>
<td>Tax paid</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capex</td>
<td>(54)</td>
<td>(192)</td>
</tr>
<tr>
<td>Other investing</td>
<td>(3)</td>
<td></td>
</tr>
<tr>
<td>Net interest paid</td>
<td>(56)</td>
<td>(20)</td>
</tr>
<tr>
<td>Dividends paid</td>
<td></td>
<td>86</td>
</tr>
<tr>
<td>Cash flow, pre repayment of</td>
<td></td>
<td>(70)</td>
</tr>
<tr>
<td>borrowings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repayment of borrowings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net cash inflow for the year</td>
<td></td>
<td>16</td>
</tr>
</tbody>
</table>

**STRICT OPERATING CASH FLOW AND REDUCED LEVERAGE TO 2.3x FROM 2.6x**

2014 dividend payment reflects only the interim paid in the year
SUMMARY

- Unique portfolio of branded and iconic assets
- Clear, competitive advantages in an attractive, growing market
- Robust business model based on a diverse portfolio
- Proven and sustainable growth strategy driving high returns
- Experienced and committed team to ensure continued delivery
APPENDIX I

SIX STRATEGIC GROWTH DRIVERS
#1 EXISTING ESTATE CAPEX-LED GROWTH

Operating Group

**Midway Attractions**

- **5-year cycle**
  - (peak, low, low, low, low)
  - N.B. Highest 'peak' is c.£5m\(^1\)
  - but most are below £1m

- **Rationale**
  - High level of 'first time' tourist visitors means less emphasis on big capex new features

**LEGOLAND Parks**

- **4-year cycle**
  - (peak, low, medium, low)
  - N.B. 'Peak' is c.£7m

- **Rationale**
  - Strategic development / growth of LEGOLAND Parks via themed lands (e.g. Pirate Shores)
  - Less emphasis on high capex thrill rides due to younger audience

**Resort Theme Parks**

- **4-year cycle**
  - (peak, low, low, low)
  - N.B. 'Peak' is c.£12m

- **Rationale**
  - Need for new rides and shows on regular basis, particularly for teen segment
  - Family attractions less capex intensive

Smooth Cash Needs

Smooth Utilisation of In-house Resources

Smooth EBITDA Development

WELL INVESTED EXISTING ESTATE, WITH CAPITAL EXPENDITURE BROADLY IN LINE WITH DEPRECIATION

---

\(^1\) Excluding London Eye capsule upgrade programme (only required every 15-20 years).
#1 EXISTING ESTATE CAPEX-LED GROWTH

2015 examples

**Midway:**
- ‘Star Wars’ coming to Madame Tussauds London and Berlin
- SLC Istanbul relaunch

**LLP:**
- ‘The Lego Movie’ 4D experience at all LEGOLAND Parks
- ‘LEGO Friends’ at LEGOLAND Windsor, Florida and California

**RTP:**
- ‘Oblivion – The Black Hole’ at Gardaland
- ‘Penguins of Madagascar’ – live show at Chessington

5.8% AVERAGE LIKE FOR LIKE EBITDA GROWTH 2010-2014
#2 STRATEGIC SYNERGIES

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

**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
  - Increasing revenue visibility securing
  - Increase levels of secondary spend

**accesso roll out**
- Agreement to roll out acceso’s ‘Passport’ ticketing systems across the Merlin estate over the next 3 years
- Performance improvement to underpin existing revenue growth expectations
- No incremental capex beyond existing expectations

**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 secondary spends for the relevant visitors
  - Successfully conducted national retail promotions in the UK
  - Partners include Tesco, News International and Kellogg’s
  - Opportunity for similar campaigns in US, Australia and New Zealand
  - Future opportunities through new channels, in particular online, which will provide opportunities for more targeted promotions with lower lead times

**Key benefits:**
- Mobile sales and ticketing
- Upselling, cross-selling, quick-selling
- Software as a Service (SaaS)
- Standardisation
- Cluster ticketing
- Annual Pass management
- Queue-busting
#3 THEME PARK RESORT POSITIONING

The Short Breaks market offers an opportunity to enhance guest satisfaction, grow profits and improve operational visibility

<table>
<thead>
<tr>
<th>Increased catchment area</th>
<th>Typically extended from 2-3 hours to 5 hours drive time, increasing market opportunity</th>
</tr>
</thead>
</table>
| Visibility and resilience of revenues | Pre-bookings increased from 30% in 2009 to 38% in 2013\(^1\)  
Better budgeting / staff levels  
Less weather dependent |
| Growth in multi-day visitation | 4%+ CAGR in multi-day visits since 2009 |
| New revenue streams | On-site evening entertainment and Food and Beverage  
Second gates (eg High ropes, Water parks) |
| Improved guest satisfaction | Value for Money scores typically 5-8% better amongst those guests who have stayed in Merlin accommodation\(^2\) |

Approx. £25m capex pa  
Split approx. 50:50 across RTP and LLP, averaged over 5 years

15% EBITDA ROI on accommodation  
+ Increased park spend  
= 20% EBITDA ROI

LEGOLAND California Hotel - Example

- Opened on time and on budget in April 2013  
- 250 bedrooms, extending catchment area  
- 99% occupancy rates in peak season  
- 50k extra park visits directly attributable to hotel

---

1 - Excludes MAP  
2 - Touchscreen data
#3 THEME PARK RESORT POSITIONING

2015 examples

🌟 Alton Towers Resort – 120 lodges and 5 tree houses, opened in 2015
- Opened in April 2015
- Increases room count to >500
- Self-catering accommodation
- Targeting families
- Further increases catchment area and length of stays

🌟 LEGOLAND Florida – 152 room hotel
- Opened May 2015
- Each LEGOLAND Park now offers on site accommodation
- >95% occupancy over summer 2015
- ARR ahead of expectations

Emmet from 'The Lego Movie' overseeing work at the LEGOLAND Florida Hotel
#4 MIDWAY ROLL OUT

2015 roll out

Midway roll out model
- Rolled out for £5-£8m each
- Located in city centres, resorts, destination shopping malls
- Prioritising cluster cities
- Average ROIC of 20%+

7 OPENINGS IN 2016, OF WHICH 3 IN ASIA
#5 LEGOLAND PARKS DEVELOPMENTS

<table>
<thead>
<tr>
<th>Three Flexible Business Models</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operated and Owned</strong></td>
</tr>
<tr>
<td>All existing parks (exc. Malaysia)</td>
</tr>
<tr>
<td>Full operational control and ownership of the park</td>
</tr>
<tr>
<td>Utilised in proven locations and geographies</td>
</tr>
<tr>
<td>Requires material capital investment</td>
</tr>
<tr>
<td>Preliminary discussions over opportunities in USA</td>
</tr>
</tbody>
</table>

---

**OPERATED AND OWNED**
- High Ownership
- All Operations

**OPERATED AND LEASED**
- Medium Ownership
- All Operations

**MANAGEMENT CONTRACT**
- No Ownership
- All Operations
#5 LEGOLAND PARKS DEVELOPMENTS

- **One park every 2-3 years on average**
- **Medium term focus on USA and China**

Existing Parks: Beijing, Shanghai, Hong Kong

Planned sites: South Korea, Japan

Pursued locations: New York, Dubai
#6 STRATEGIC ACQUISITIONS

<table>
<thead>
<tr>
<th>Rationale</th>
<th>Proven Track Record</th>
<th>Significant Opportunity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creation of a diversified portfolio</td>
<td>Proven track record of identifying and successfully acquiring high quality assets in the market</td>
<td>Diversified and fragmented market with significant scope for consolidation</td>
</tr>
<tr>
<td>Enhance the Midway roll out (sites and brands)</td>
<td>Demonstrated ability to transform acquired assets / businesses</td>
<td>Number of opportunities under active consideration</td>
</tr>
<tr>
<td>Deliver opportunities for strategic synergies</td>
<td>Recent Midway acquisitions accelerated expansion of Asia-Pacific and created cluster cities</td>
<td></td>
</tr>
<tr>
<td>Attractive capital returns</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Sydney Attractions Group / Living and Leisure Australia (2011/12)**

- Combined acquisition cost: c£260m
- Created significant footprint and critical mass in Asia Pacific
- Ability to add additional Midway Attractions (e.g. Madame Tussauds Sydney) and create clusters (Bangkok and Shanghai)

---

![Sydney Attractions Group / Living and Leisure Australia Timeline](image)
APPENDIX II
MIDWAY ATTRACTIONS
New Strategic Alliance with Dreamworks

- New midway brand, based on Shrek and other Dreamworks IP
- Initial plan for 6 attractions over 9 years
- First attraction opening in London in Summer 2015
- Investment and returns similar to existing midway roll out strategy
- Worldwide exclusivity on midway concept, excluding China and Russia
- New brand provides incremental opportunities for roll out to gateway cities and clusters
The Biggest Animated Franchise Of All Time

Shrek OWNS the hilarious intersection of pop culture and fairytales

A Global Phenomenon with a ogre-sized social media following

60 Million Fans Worldwide

- Shrek (44 Million) is the #1 fan page of any animated film | #4 fan page of any movie on Facebook
- Since 2010, the Shrek Facebook page has grown by over 10 Million people per year for the last 3 years
- More than 85% of Shrek fans are INTERNATIONAL
- Donkey, Puss and Gingy fan pages total 16 Million fans worldwide

5.2 Million Mentions

1.6 Million Videos of Donkey
(top video has 23 Million views)

Sources: Shrek Global Listening Report - Way to Blue Sept 2012 - Sept 2013
RESORT THEME PARKS
LEGOLAND PARKS
LEGOLAND JAPAN

- Summer 2017 opening
- Located in centre of country, between Tokyo and Osaka. Catchment area of 20m+ people.
- Good infrastructure and transport links. No local competition.
- Strongest Theme Park market in Asia
  - Developed theme park market
  - High density of population
  - Highly affluent market
- Good LEGO Awareness, but huge upside in worlds 2nd largest toy market
- Strong support from KIRKBI (property investment) and City of Nagoya (infrastructure)
- Merlin to invest £53m with target EBITDA ROIC of at least 20%.
- EBITDA margins of 15-20%

Note further guidance on capex and pre-opening costs of LEGOLAND Japan and LEGOLAND Korea in 2014 Prelims presentation, February 2015.
LEGOLAND KOREA

- Opening 2018
- Situated on the island of Jung-do, in South Korea, within 2 hour’s drive time for c24m residents
- Park infrastructure funded by consortium of local public and private investors
- Significant contributions from Gangwon Province and the City of Chuncheon
- ‘Operated and Leased’ model, Merlin Investing KRW100 billion (£57m), with target EBITDA ROIC of at least 20%
- EBITDA margins of 20-25%

Note further guidance on capex and pre-opening costs of LEGOLAND Japan and LEGOLAND Korea in 2014 Prelims presentation, February 2015.
LONG TERM, ROBUST GROWTH

Revenue growth 2000 - 2014 (£m)$

Merlin Today$2

- 111 attractions
- 12 hotels and 4 holiday villages
- Operating in 23 countries
- c26,000 employees during peak season

2014 Performance

- 62.8m visitors
- £1,249m revenue
- £411m EBITDA$3
- £311m Operating Profit$3
- £179m Net Income$3
- 10.6% ROCE$3

1999 MBO backed by Apax to form Merlin Entertainments Group

2004 Tertiary MBO backed by Blackstone

2005 Secondary MBO backed by Hermes

LEGOLAND 2005

Gardaland 2006

Tussauds 2007

2010 CVC investment

2011 LEGOLAND Florida

LLA 2012

SAG 2011

IPO 2013

2010 – 2014 Performance

2013 Revenue: £1,192m

2014 Revenue: £1,249m

2013 EBITDA: £933m

2014 EBITDA: £1,074m

2013 Operating Profit: £1,074m

2014 Operating Profit: £1,249m

2013 Net Income: £311m

2014 Net Income: £179m

1 Currency as reported. Non-December year ends calendarised. 2011 reflects 52 weeks (week 2 to 53).

2 As at 17 September, 2015

3 Underlying figures, excluding exceptional items

32 | 21
<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Background</th>
</tr>
</thead>
</table>
| Sir John Sunderland  | Non-Executive Chairman          | Appointed Non-Executive Chairman in December 2009  
|                      |                                 | Currently a Non-Executive Director of Barclays Bank plc, and AFC Energy plc and an adviser to CVC  
|                      |                                 | Sir John is also the Chairman of Cambridge Education Group, Chancellor of Aston University, a member of the Council of The University of Reading, and an Associate Member of BUPA.  
|                      |                                 | Previously, Sir John was Chairman of Cadbury Schweppes from 2003 to 2008 and Chief Executive Officer from 1996 to 2003.  
|                      |                                 | Sir John was also President of the CBI from 2004 to 2006, President of the Chartered Management Institute from 2006 to 2007, President of the Food and Drink Federation from 2002 to 2004, a Non-executive Director of the Rank Group from 1998 to 2006 and a Director of the Financial Reporting Council from 2004 to 2011. |
| Nick Varney          | Group Chief Executive Officer   | Nick has over 24 years’ experience in the visitor attractions industry and was Appointed Chief Executive Officer in 1999  
|                      |                                 | Prior to Merlin, Nick was Managing Director of Vardon Attractions and a main board director of Vardon plc. In 1999 Nick led the management buyout of Vardon Attractions to form Merlin Entertainments. In 2005 he initiated the process which led to its acquisition by Blackstone and subsequent rapid expansion, taking the Company to its 2013 Listing on the London Stock Exchange.  
|                      |                                 | Before joining Vardon Attractions, Nick held senior positions within The Tussauds Group (part of Pearson plc), including Marketing Director of Alton Towers and Head of Group Marketing. He started his career in FMCG marketing first with Rowntree and then Reckitt & Colman. |
| Andrew Carr          | Group Chief Financial Officer   | Andrew is a qualified chartered accountant and was appointed Chief Financial Officer of Merlin Entertainments in 1999 Tussauds Group  
|                      |                                 | Prior to Merlin, Andrew was Financial Director of Vardon Attractions and played a key role in the management buyout of Vardon Attractions to form Merlin Entertainments in 1999 and in the subsequent business, including two followon buyouts, the acquisitions of LEGOLAND, Gardaland and The Tussauds Group and the Listing of Merlin Entertainments on the London Stock Exchange.  
|                      |                                 | Before joining Vardon Attractions, Andrew trained, and was subsequently head of a regional Corporate Finance Department, at KPMG. |
| Charles Gurassa      | Senior Independent Non-Executive Director | Charles was appointed Senior Independent Non-executive Director of Merlin Entertainments and Chairman of the Remuneration Committee in 2013.  
|                      |                                 | Charles is currently the Senior Independent Director and Deputy Chairman of easyJet plc and the Non-executive Chairman of NetNames and Genesis Housing Association. Charles has spent over 35 years in the travel and tourism industry where his roles included Group Chief Executive of Thomson Travel Group plc, Director Passenger and Cargo Business at British Airways, Executive Chairman of TUI Northern Europe and a Director of TUI AG.  
<p>|                      |                                 | He was a Non-executive Director of Whitbread plc from 2000 to 2009 and former deputy Chairman of the National Trust. Charles is a Trustee of the Migration Museum. |</p>
<table>
<thead>
<tr>
<th>Name</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Søren Thorup Sørensen</td>
<td>Non-Executive Director</td>
<td>Søren was appointed a Nonexecutive Director of the Company in 2013, representing KIRKBI. Søren is currently the Chief Executive Officer of KIRKBI, following his appointment in March 2010. Søren was formerly a Partner, Chief Financial Officer and member of the Group Executive Board of A.P. Moller – Maersk Group between 2006 and 2009. Prior to this he was Managing Partner of KPMG Denmark, having been a Partner at KPMG since 1997. Outside the KIRKBI Group, Søren is currently Non-executive Vicechairman of Topdanmark A/S and holds Non-executive Director positions at LEGO A/S, TDC A/S and Falck Holding A/S.</td>
</tr>
<tr>
<td>Fru Hazlitt</td>
<td>Independent Non-Executive Director</td>
<td>Fru was appointed a Nonexecutive Director of Merlin Entertainments with effect from 1 April 2014. Fru Hazlitt was formerly Managing Director, Commercial, Online and Interactive at ITV, and previously Chief Executive Officer of Virgin Radio. Prior to that Fru spent six years at Yahoo! where her roles included Managing Director, UK and Ireland, and Sales and Marketing Director, Europe.</td>
</tr>
<tr>
<td>Ken Hydon</td>
<td>Independent Non-Executive Director</td>
<td>Ken was appointed a Nonexecutive Director and Chairman of the Audit Committee of Merlin Entertainments in 2013. Ken is currently a Non-executive Director of Reckitt Benckiser Group plc and Pearson Plc. Previously, he was CFO of Vodafone Group Plc. Ken was also a Non-executive Director of Tesco Plc from 2004 to 2013 and a Non-executive Director of Royal Berkshire NHS Foundation Trust from 2005 to 2012.</td>
</tr>
<tr>
<td>Trudy Rautio</td>
<td>Independent Non-Executive Director</td>
<td>Trudy was appointed an Independent Non-Executive Director of the company as of 1st October 2015. Trudy was previously CEO of Carlson, a privately held global hospitality and travel company. Trudy had been a senior executive with Carlson since 1997, having served as Executive Vice President and Chief Financial and Administrative Officer of Carlson preceding her appointment as CEO. Prior to joining Carlson, Trudy served as Senior Vice President and Chief Financial Officer of Jostens, Inc, and served as Vice President of Finance for Minneapolis-based Pillsbury Co.</td>
</tr>
</tbody>
</table>
MANAGEMENT TEAM

Nick Varney
CEO
(23 years)

Andrew Carr
CFO
(17 years)

Nick Mackenzie
Managing Director
Midway Attractions
(12 years)

Hans Aksel Pedersen
Managing Director
LEGOLAND Parks
(15 years)

Justin Platt
Managing Director
Resort Theme Parks
(4 years)

John Jakobsen
CNOO
New Openings Group
(29 years)

Mark Fisher
CDO
Merlin Magic Making
(23 years)

OVER 100 YEARS COMBINED EXPERIENCE AMONGST SENIOR MANAGEMENT TEAM

Name
Title
(Years with Merlin Businesses)
<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Background</th>
</tr>
</thead>
</table>
| Nick MacKenzie     | Managing Director, Midway       | Nick was appointed as Managing Director, Midway 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         | Managing Director, LEGOLAND Parks | Hans took on his current role in June 2015  
Hans has more than 25 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 15 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 | Appointed Managing Director of 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       | 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      | 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 |
## Performance Oriented - Support an Entrepreneurial and Innovative Culture

- Share ownership encouraged amongst employees
- Simplicity
- Consistent with UK best practice guidelines

## Incentivisation Principles

- Motivate and retain employees
- Attract high quality individuals
- Reward outperformance
- Align employees with the interests of shareholders

## Senior Execs and Mgmt

- Salary adjustments towards median level for businesses of equivalent size and scale
- Annual bonus based on EBIT and strategic objectives (two thirds in cash and one third in deferred share awards)
- Performance Share Plan (PSP) subject to EPS (50%) and ROCE (50%) targets

## Incentivisation Objectives

- EPS
  - 3 year CAGR 2014 – 2017
    - Performance
      - <7% CAGR: 0%
      - 7% CAGR: 10%
      - 10.5% CAGR: 27.5%
      - 14% CAGR: 50%
    - Vesting
      - Pro rata vesting between 10% and 27.5%, and 27.5% and 50%

## Approach

- Salaries at competitive, but not excessive, levels
- Greater emphasis on rewards for delivery of longer term performance targets
- Broaden current employee ownership

## Managers

- Annual share option awards

## All Other Employees

- All-employee share plan. Nearly 30% of permanent employees globally contribute to the Sharesave scheme (40% in UK)
OPERATING PHILOSOPHY

Maximising Revenues Not Visitor Numbers or Yield

<table>
<thead>
<tr>
<th>The Demand “Pull”</th>
<th>The Supply “Push”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aspirational advertising</td>
<td>Third party promotions</td>
</tr>
<tr>
<td>High quality, memorable, experiences (KPIs – 90%+ satisfaction / recommendation)</td>
<td>The web / e-commerce</td>
</tr>
<tr>
<td>Always something new (capex)</td>
<td>Discrete trade channels</td>
</tr>
<tr>
<td>Premium pricing</td>
<td>Clustering / multi-day packages</td>
</tr>
</tbody>
</table>

Driving Visitor Yields
- Lower / no discounts
- Premium offers (e.g. Fast Pass)

Driving Visitor Numbers
- Non-cannibalistic promotions
- High volume trade (e.g. schools)

DRIVING PROFIT GROWTH BY MAXIMISING REVENUES THROUGH BOTH VISITOR NUMBERS AND YIELDS ALONG WITH EFFECTIVE COST CONTROL (MEANS RPC NOT ALWAYS A KEY MEASURE)
APPENDIX III

ATTRACTION COUNT AND GLOSSARY OF TERMS
Attractions opened in 2015 comprise: SEA LIFE Michigan, LEGOLAND Discovery Centre Osaka, The Orlando Eye, Madame Tussauds and SEA LIFE Orlando, 'DreamWorks Tours – Shrek's Adventure!' in London, and LEGOLAND Discovery Centre Istanbul.
<table>
<thead>
<tr>
<th>Key terms</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARR</td>
<td>Average Room Rate</td>
</tr>
<tr>
<td>Cluster</td>
<td>A group of attractions located in a city close to one another</td>
</tr>
<tr>
<td>Constant Currency growth</td>
<td>Using 2014 exchange rates</td>
</tr>
<tr>
<td>EBITDA</td>
<td>Underlying basis, excluding exceptional items</td>
</tr>
<tr>
<td>LDC</td>
<td>LEGOLAND Discovery Centre</td>
</tr>
<tr>
<td>Lead price</td>
<td>Face value of a ticket, which may then be discounted</td>
</tr>
<tr>
<td>LFL</td>
<td>2014 Like for like growth refers to the growth between 2013 and 2014 on a constant currency basis using 2014 exchange rates and includes all businesses owned and operated before the start of 2013</td>
</tr>
<tr>
<td>LLB</td>
<td>LEGOLAND Billund Resort</td>
</tr>
<tr>
<td>LLC</td>
<td>LEGOLAND California Resort</td>
</tr>
<tr>
<td>LLD</td>
<td>LEGOLAND Deutschland Resort</td>
</tr>
<tr>
<td>LLF</td>
<td>LEGOLAND Florida Resort</td>
</tr>
<tr>
<td>LLM</td>
<td>LEGOLAND Malaysia Resort</td>
</tr>
<tr>
<td>LLP</td>
<td>LEGOLAND Parks Operating Group</td>
</tr>
<tr>
<td>LLW</td>
<td>LEGOLAND Windsor Resort</td>
</tr>
<tr>
<td>MAP</td>
<td>Merlin Annual Pass</td>
</tr>
<tr>
<td>Midway</td>
<td>Midway Attractions Operating Group</td>
</tr>
</tbody>
</table>
### GLOSSARY (CONT.)

<table>
<thead>
<tr>
<th>Key terms</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>NBD</td>
<td>New Business Development</td>
</tr>
<tr>
<td>Resident Market</td>
<td>The total population living within a two-hour drive of the attractions</td>
</tr>
<tr>
<td>ROCE</td>
<td>Underlying Operating Profit after taking account of a normalised long term effective tax rate divided by end of period net operating assets</td>
</tr>
<tr>
<td>ROIC</td>
<td>Average EBITDA over the first five years divided by total development capex</td>
</tr>
<tr>
<td>RPC</td>
<td>Revenue per Cap, defined as Visitor Revenue dividend by number of visitors</td>
</tr>
<tr>
<td>RTP</td>
<td>Resort Theme Parks Operating Group</td>
</tr>
<tr>
<td>Second Gate</td>
<td>A visitor attraction at an existing resort with a separate entrance and for which additional admission fees are charged</td>
</tr>
<tr>
<td>Shrek</td>
<td>‘DreamWorks Tours – Shrek’s Adventure!’</td>
</tr>
<tr>
<td>SLC</td>
<td>SEA LIFE Centre</td>
</tr>
<tr>
<td>Visitors</td>
<td>Represents all individual visits to Merlin owned or operated attractions</td>
</tr>
</tbody>
</table>
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.