

2014 PRELIMINARY RESULTS PRESENTATION

26 FEBRUARY 2015



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2014 HIGHLIGHTS



- ✦ Visitors: 62.8m (+4.9%)
- ✦ Revenue: £1,249m (+9.6%, Constant FX)
- ✦ LFL revenue growth: +7.1%
- ✦ EBITDA: £411m (+11.0%, Constant FX)
- ✦ Underlying profit after tax: £179m (+11.1%)

CUSTOMER SATISFACTION ✓
EMPLOYEE ENGAGEMENT ✓
HEALTH AND SAFETY ✓



CONTINUED DELIVERY IN BUSY FIRST FULL YEAR AS A PUBLIC COMPANY

PROGRESS ON STRATEGIC GROWTH DRIVERS



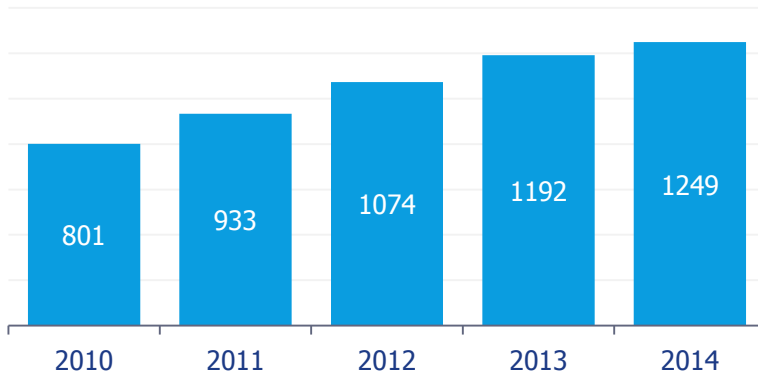
- ✦ **Capex cycle** – successful new rides and attractions at Heide Park, Alton Towers and LEGOLAND California
- ✦ **Synergies** – Relaunch of UK MAP, progress on CRM and next-generation ticketing
- ✦ **Destination positioning** – New accommodation at Chessington, Thorpe Park, LEGOLAND Deutschland and LEGOLAND Billund
- ✦ **Midway roll out** – Six new openings and the announcement of the new 'Shrek's Adventure!' attraction in London
- ✦ **LEGOLAND Parks Development** – Announcement of LEGOLAND Japan and LEGOLAND Korea to open in 2017

LONG TERM GROWTH TRAJECTORY

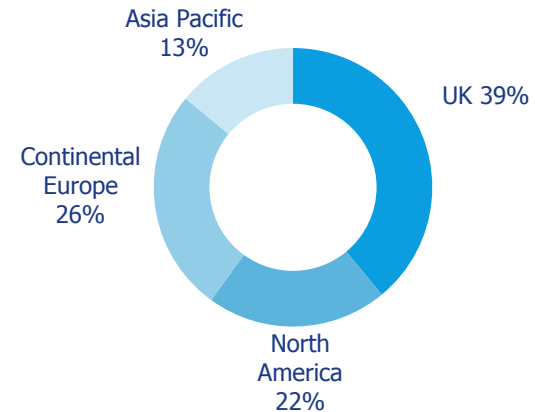
Double-digit revenue and EBITDA CAGR since 2010



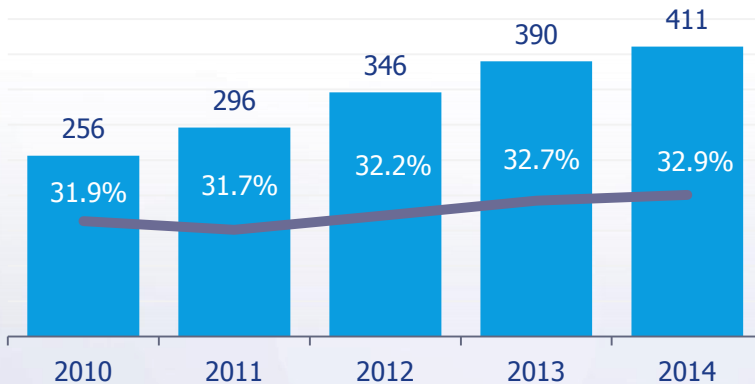
REVENUE CAGR 2010-14 OF 11.8%



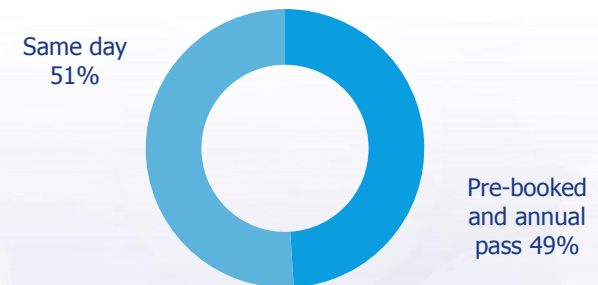
REVENUE SPLIT BY GEOGRAPHY



EBITDA CAGR 2010-14 OF 12.6%



GROUP PRE-BOOKED REVENUE



Online bookings now 21% of total admissions revenue

FINANCIAL RESULTS

Andrew Carr, Chief Financial Officer

SUMMARY



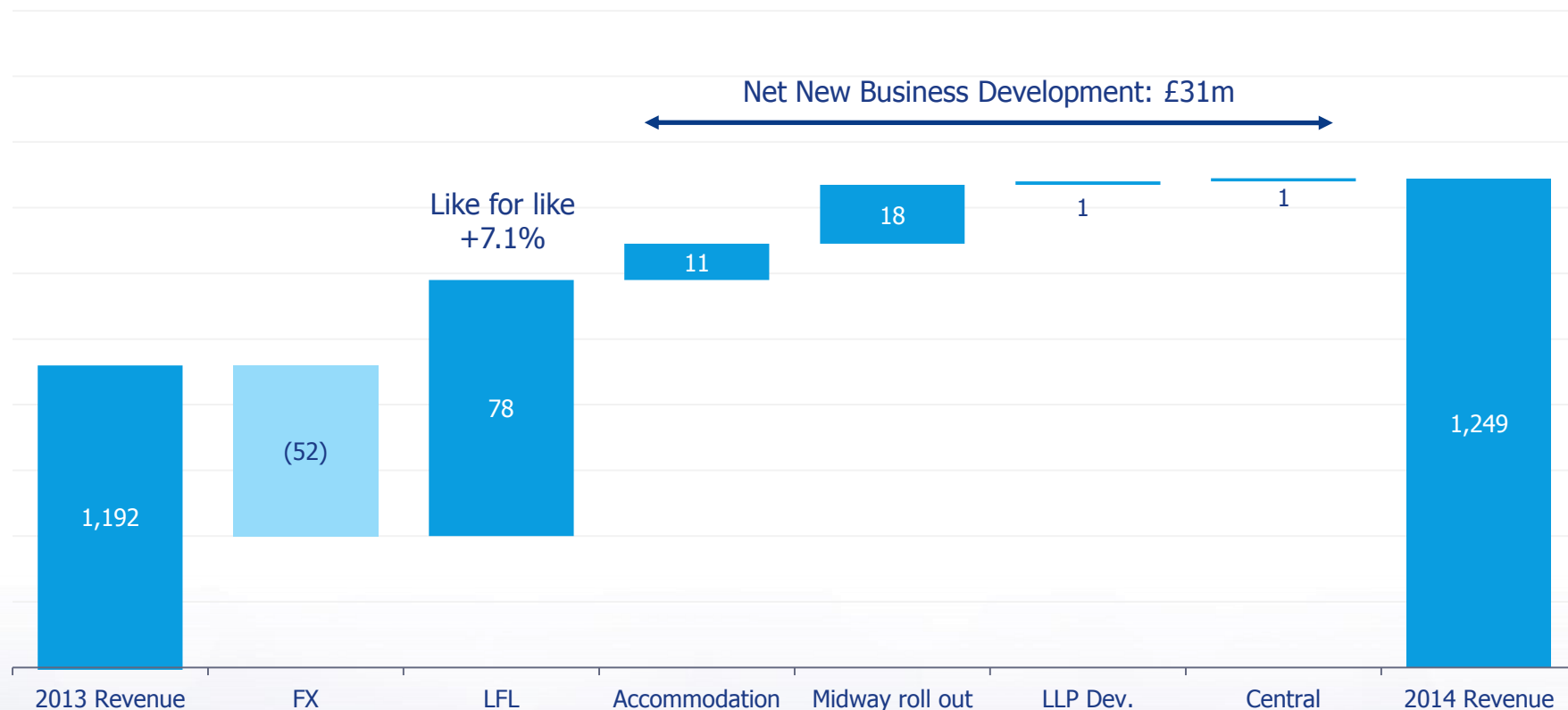
£ millions (unless stated)	2014	2013	Total growth at constant FX	Total growth at actual FX	Like for like growth
Revenue	1,249	1,192	9.6%	4.8%	7.1%
EBITDA	411	390	11.0%	5.3%	7.8%
Margin	32.9%	32.7%			
Operating Profit	311	290	13.3%	7.1%	
PBT	249	186		34.6%	
Underlying profit for the year	179	162		11.1%	
Adjusted EPS	17.7p	16.9p ¹		5.0%	
DPS	6.2p	-			
ROCE	10.6%	10.2% ²			

7 | ¹ 2013 EPS would be 16.0p based on post-IPO share count of 1,013.7m, representing growth in 2014 of 11.1%

² Based on a normalised effective tax rate of 28%

Definitions are provided in the appendix

REVENUE BRIDGE 2013-14



REVENUE GROWTH DRIVEN BY LIKE FOR LIKE AND NEW BUSINESS DEVELOPMENT SUPRESSED BY UNFAVOURABLE TRANSLATIONAL FX MOVEMENTS

MIDWAY FINANCIALS



£ millions, unless stated	2014	2013	Constant Currency	Reported Currency
Revenue	529	524	6.2%	1.1%
Like for like growth	3.0%	9.3%		
EBITDA	214	212	5.5%	1.0%
Margin	40.5%	40.5%		
Operating Profit	167	164	6.2%	1.9%
Margin	31.5%	31.3%		
Existing Estate Capex	37	33		
% of revenue	7.0%	6.2%		

- ★ Robust like for like growth suppressed by a strong 2013 comparative and a number of one-off factors
- ★ Continued success of the roll out strategy
- ★ EBITDA margin maintained through cost control
- ★ Existing Estate capex in line with typical 6-8% range of revenues

LEGOLAND PARKS FINANCIALS



£ millions, unless stated	2014	2013	Constant Currency	Reported Currency
Revenue	386	352	15.7%	9.5%
Like for like growth	13.2%	5.3%		
EBITDA	142	127	19.2%	11.9%
Margin	36.9%	36.1%		
Operating Profit	120	106	21.1%	13.2%
Margin	31.0%	30.0%		
Existing Estate Capex	25	26		
% of revenue	6.3%	7.5%		

✦ Outstanding like for like growth performance:

- ✦ Strong underlying momentum
- ✦ The LEGO Movie and associated promotional activity

✦ High year capex at LLC (LEGO CHIMA Water park)

✦ First full year of the LLC hotel; accommodation expansion at LLB and LLD

✦ Margin growth tempered by:

- ✦ Royalty and variable operating costs
- ✦ Remedial cost at LLW hotel

✦ Existing Estate capex below the typical 7-9% of revenues

RESORT THEME PARKS FINANCIALS



£ millions, unless stated	2014	2013	Constant Currency	Reported Currency
Revenue	331	314	8.4%	5.6%
Like for like growth	7.2%	5.2%		
EBITDA	87	81	11.6%	7.2%
Margin	26.3%	25.9%		
Operating Profit	60	54	16.4%	11.0%
Margin	18.2%	17.3%		
Existing Estate Capex	34	33		
% of revenue	10.4%	10.4%		

- ★ Strong like for like revenue growth
- ★ Successful product investment
- ★ More favourable weather
- ★ Strong Halloween offering
- ★ High year investment at Heide Park ('Flight of the Demons')
- ★ New hotels at Chessington and Thorpe Park

SUMMARY UNDERLYING P&L



£ millions, unless stated	2014	2013	Constant Currency	Reported Currency
Op. Group EBITDA	443	420	10.8%	5.5%
Central Costs	(32)	(30)	(8.6)%	(8.2)%
EBITDA	411	390	11.0%	5.3%
D&A	(100)	(100)	(4.4)%	0.0%
Operating Profit	311	290	13.3%	7.1%
Net Finance Costs	(62)	(104)		41.5%
PBT	249	186		34.6%
Tax	(70)	(24)		(195.3)%
Underlying profit for the year	179	162		11.1%

- Op. Group EBITDA includes allocation of share scheme costs
- Central costs increase due to share scheme and full-year plc costs
- D&A growth suppressed by FX, one-offs in 2013 and later openings
- Financing costs and tax in line with guidance
- Underlying profit after tax growth of 11.1%

CAPITAL EXPENDITURE AND ACQUISITIONS

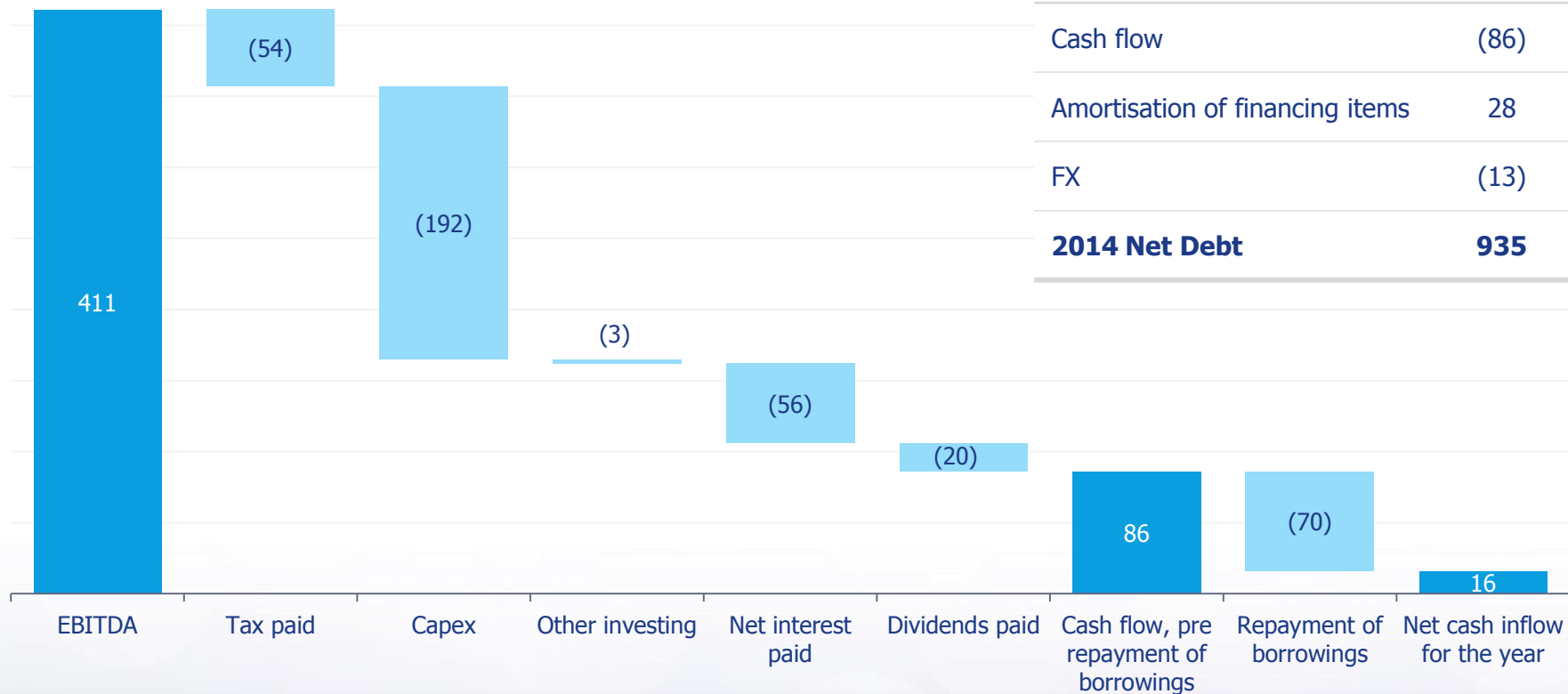


£ millions, unless stated	2014	2013
Existing Estate	107	95
New Business		
- Accommodation	34	18
- Midway	49	38
- LLP Development	2	1
Total Capital Expenditure	192	152
Other Investing Activities	3	11
Total Capex and Investing Activities	195	163
EE Capex % of total revenue	8.5%	8.0%

- Existing Estate capex remains at the lower end of the 8-10% revenue range
- Accommodation capex reflects strong 2014 and 2015 projects
- Midway roll out spend consistent with the 6-7 attractions p.a.
- New LLP development expenditure of £5m including the £3m investment in LLK
- Total capex of £230m-£250m expected in 2015

INVESTMENT CONSISTENT WITH STRATEGIC OBJECTIVES – EE CAPEX AT 8-10% OF REVENUES

CASHFLOW



2013 Net Debt	1,006
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Cash flow	(86)
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Amortisation of financing items	28
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FX	(13)
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2014 Net Debt	935
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STRONG OPERATING CASH FLOW AND REDUCED LEVERAGE TO 2.3x FROM 2.6x

REFINANCING



New unsecured bank facilities

	Total	Maturity	Margin
3Y Term Loan	350	2018	L/E + 150 bps
5Y Term Loan	650	2020	L/E + 200 bps
Drawn Term Debt	1,000		
£300m RCF (Undrawn)	300	2020	L/E + 175 bps
Total Facilities	1,300		

- ✦ £1.3bn refinancing of current facilities
 - ✦ c£130m of cash used to reduce gross debt
 - ✦ c£15m of upfront refinancing fees
- ✦ Greater flexibility (unsecured)
- ✦ Average cash cost reduced by c100 bps
 - ✦ c140bps average margin reduction
 - ✦ Partially offset by the expected impact of extending fixed rate duration
- ✦ Pro forma cash savings expected to be c£15m pa
- ✦ Will explore opportunities to diversify sources of funding

2015 OUTLOOK AND CURRENT TRADING



Outlook

- ✦ Strong pipeline of openings and existing estate capex
- ✦ Tough H1 comparatives due to 'The LEGO Movie' benefit in 2014

Current Trading

- ✦ Seasonally quiet period
- ✦ Current trading in line with expectations
- ✦ Capex plans on track

STRATEGIC DEVELOPMENTS

Nick Varney, Chief Executive Officer

SIX STRATEGIC GROWTH DRIVERS



1	Existing estate growth via capex	➔	Mid-single digit Like for Like EBITDA Growth + >15% ROIC on Accommodation
2	Strategic synergies		
3	Transformation of theme parks into short break destinations		
4	Midway roll out	➔	>20% ROIC
5	Developing new LEGOLAND parks		
6	Strategic acquisitions	➔	Synergised >20% ROIC

#1 EXISTING ESTATE CAPEX-LED GROWTH



Madame Tussauds London and Berlin



LEGOLANDs Windsor, Florida and California



Gardaland

#1 EXISTING ESTATE CAPEX-LED GROWTH



Madame Tussauds London and Berlin



All LEGOLAND Parks and Discovery Centres

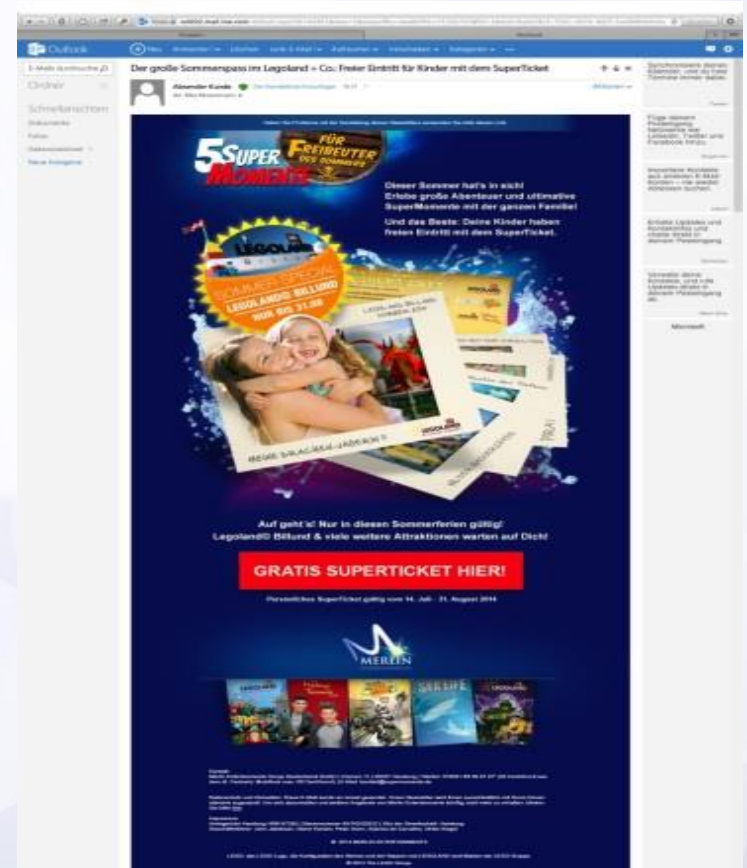


Gardaland

#2 STRATEGIC SYNERGIES



- Extended database capability to Germany to allow us to maximise attraction synergies
- First promotional email campaigns well received with strong open and click-through rates
- Global database being extended to US, Denmark and Italy in 2016, allowing for cross-country promotion



- Developed first phase of global database
- Actively collected UK data to grow our 'single customer view' to 3 million
- More targeted promotions, taking account of 'non-openers'

#3 THEME PARK RESORT POSITIONING



★ LEGOLAND Florida – 152 room hotel

- ★ Opening May 2015
- ★ 76% of guests surveyed would be interested in staying in a themed hotel



★ Alton Towers Resort – 120 lodges and 5 tree houses

- ★ Opening in April 2015
- ★ Increases room count to >500
 - Self-catering accommodation
 - Targeting families
 - Further increases catchment area and length of stays

TARGETING 15% ROIC ON ACCOMMODATION CAPEX

#4 MIDWAY ROLL OUT

2015 pipeline



London

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%+



Osaka



Istanbul



Orlando



Merlin Entertainments
The Eye Brand



Michigan

2016: 7 OPENINGS, OF WHICH 3-4 IN ASIA

AMAZING!

DREAMWORKS
TOURS

SHREK'S ADVENTURE!

Shrek's Adventure! is a brand new concept where guests play their part and save the day

Fully immersive attraction bringing DreamWorks characters to life

Original story created by DreamWorks and Merlin Magic Making

Unique mix of flying bus ride, live shows, and interactive character meet and greets.

Utilises latest technology, live acting and world class theming

2/3 Shrek based, 1/3 other DreamWorks characters and worlds



MERLIN
MAGIC
MAKING



#5 LEGOLAND PARKS DEVELOPMENTS

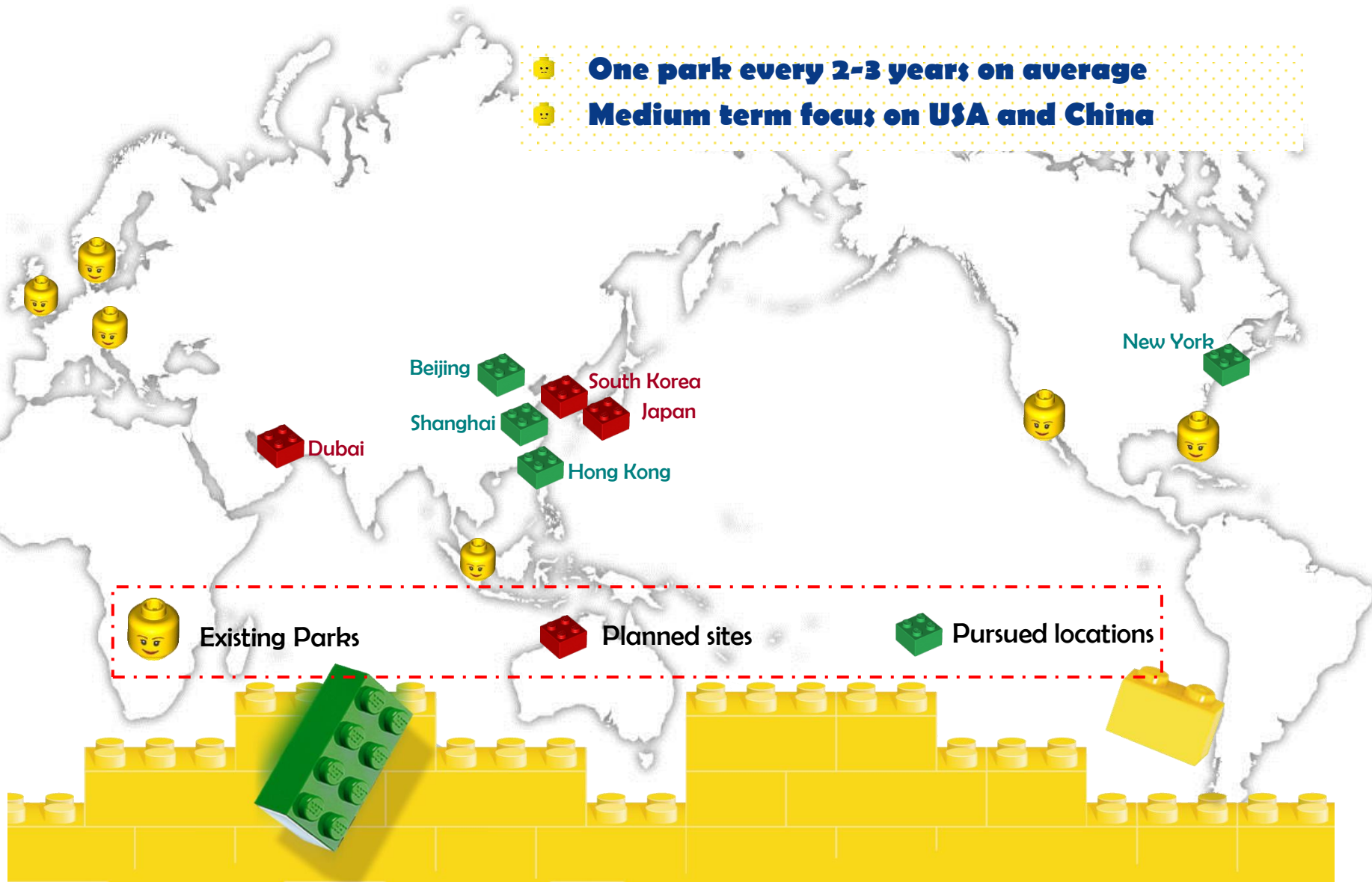


LEGOLAND Korea

- ✦ 'Operated and Leased' model, Merlin investing KRW100 billion (c£57m¹)
- ✦ Situated on the island of Jung-do, 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
- ✦ On schedule to open in 2017
- ✦ No significant positive EBITDA expected until 2018²

#5 LEGOLAND PARKS DEVELOPMENTS (CONT.)

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



BEING A FORCE FOR GOOD



"We went to Alton Towers Resort and Skye absolutely loved it! She went on all sorts of rides and loved them all. Thank you, it was just what we needed"



Merlin's Magic Wand Charity

- ✦ 64k tickets to Merlin attractions provided to sick, disabled and disadvantaged children – a Merlin's Magic Wand record!
- ✦ Six new 'Taking the Magic to the Children' projects, including our first project in Australia



SEA LIFE Trust

- ✦ Aspire to be the leading campaigner for the protection of marine wildlife and their habitats
- ✦ In 2014 we raised over £300k across the globe for marine conservation projects
- ✦ These funds supported a number of projects and campaigns aimed at protecting turtles, sharks, whales and dolphins, seahorses and important marine and freshwater habitats

SUMMARY



- ✦ Continued growth expected in line with historic delivery
- ✦ Challenging like for like comparatives vs 2014, particularly in H1
- ✦ Midway pipeline set for 2015 and 2016
- ✦ New LEGOLAND Parks progressing well
- ✦ Continuation of resort positioning strategy for theme parks
- ✦ Further progress towards balancing the portfolio across Americas, Europe and Asia-Pacific; projects announced show we are well on course

CONTINUED DELIVERY IN BUSY FIRST FULL YEAR AS A PUBLIC COMPANY

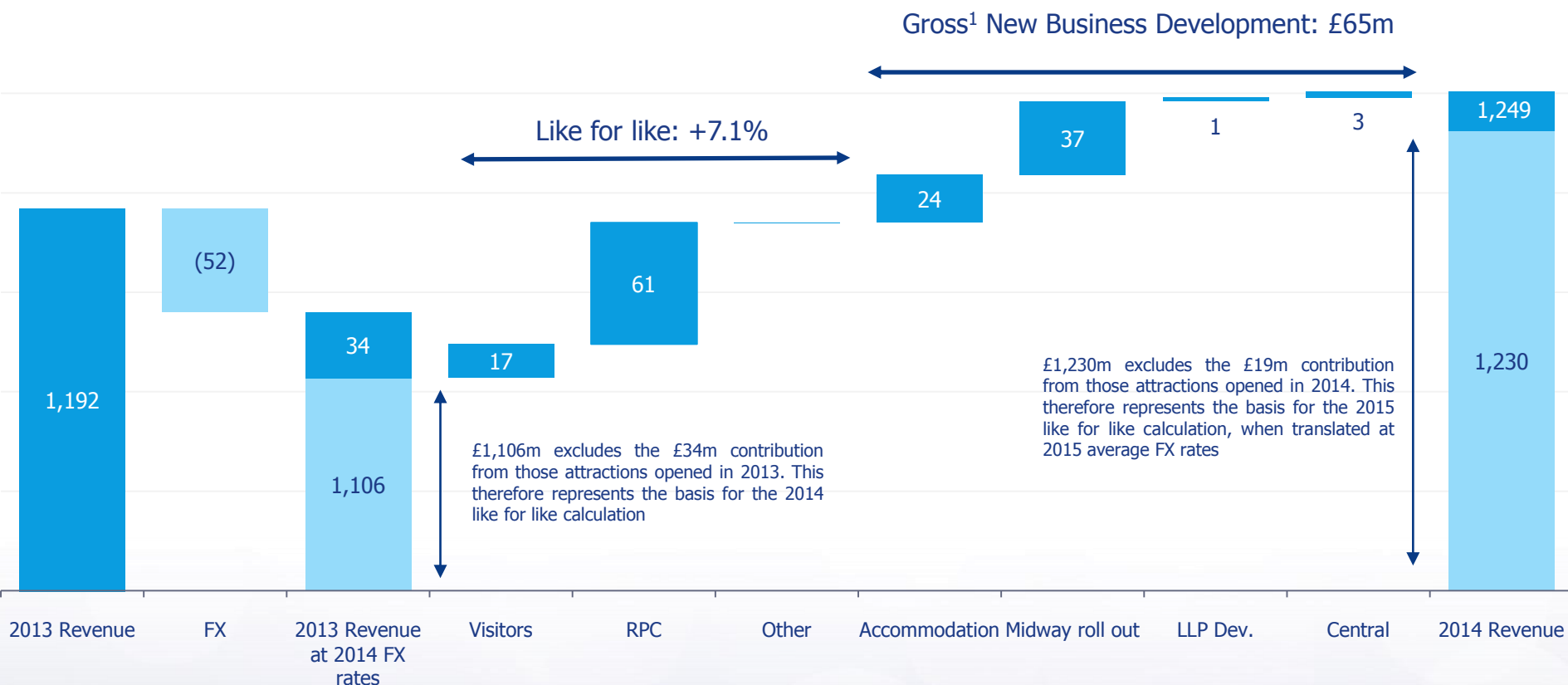
Q&A



APPENDIX

REVENUE BRIDGE 2013-14

Showing the impact of 'Gross' NBD



REVENUE GROWTH DRIVEN BY LIKE FOR LIKE AND NEW BUSINESS DEVELOPMENT SUPRESSED BY UNFAVOURABLE TRANSLATIONAL FX MOVEMENTS

EXCEPTIONAL ITEMS



£ millions, unless stated	2014	2013
IPO costs	-	28
Acquisition costs	-	2
Unrealised gain on financial derivatives	-	(16)
Loss on re-measurement of financial liabilities measured at amortised cost	23	-
Net exceptional items	23	14
Tax impact	(6)	3
Post tax exceptional items	17	17

2014 LIKE FOR LIKE GROWTH



£ millions, unless stated	Week 18	Week 26	Week 36	Week 52
Midway		1.9%	3.2%	3.0%
LEGOLAND Parks		19.0%	13.8%	13.2%
Resort Theme Parks		7.7%	4.2%	7.2%
Total Revenue	12.0%	8.1%	6.7%	7.1%

NET DEBT



£ millions, unless stated	2014	2013
Bank loans and borrowings	1,136	1,185
Cash and cash equivalents	(285)	(264)
Net bank debt	851	921
Finance lease obligations	84	85
Net Debt	935	1,006
Net Debt / EBITDA	2.3x	2.6x

Credit Ratings

- ✦ S&P: BB
- ✦ Moody's: Ba2, stable outlook

COST BREAKDOWN



£ millions, unless stated	2014	2013	Constant Currency	Reported Growth
Employment costs	312	297	9.3%	5.0%
% of revenue	24.9%	24.9%		
Rent	83	80	6.1%	2.9%
% of revenue	6.6%	6.7%		
Marketing	62	63	4.1%	(0.4)%
% of revenue	5.0%	5.3%		
Other	200	192	8.0%	4.0%
% of revenue	16.0%	16.2%		

MIDWAY REVENUE SPLIT



£ millions, unless stated	2014	2013	Reported Growth
Statutory visitors ¹ (m)	37.8	36.7	2.8%
Revenue per capita (£)	13.35	13.48	(0.9)%
Visitor revenue	504	496	1.8%
Other revenue	25	28	(12.7)%
Total revenue	529	524	1.1%

LEGOLAND PARKS REVENUE SPLIT



£ millions, unless stated	2014	2013	Reported Growth
Statutory visitors ¹ (m)	10.7	9.8	8.6%
Revenue per capita (£)	29.97	29.95	0.1%
Visitor revenue	321	295	8.7%
Other revenue	65	57	13.9%
Total revenue	386	352	9.5%

RESORT THEME PARK REVENUE SPLIT



£ millions, unless stated	2014	2013	Reported Growth
Statutory visitors ¹ (m)	12.0	11.2	7.2%
Revenue per capita (£)	22.75	23.11	(1.5)%
Visitor revenue	272	258	5.6%
Other revenue	59	56	5.9%
Total revenue	331	314	5.6%

LEGOLAND JAPAN AND LEGOLAND KOREA COMBINED FINANCIALS



	2014	2015	2016	2017	2018
Capex	£5m ^{1,2}	c£20m ¹	c£40m	c£40m	c£5m
Pre-opening costs	<£1m	£2m-£3m	£3m-£5m	£5m-£10m	-

- Both Japan and Korea planned to open in 2017 under 'Operated and Leased' model
- Half year contribution from LLJ in 2017, negligible contribution from LLK
- Estimates subject to FX movements and precise timings of cash payments
- Targeting 20% average EBITDA ROIC, on Merlin investment, over first five years of operation – possible 'champagne' effect in first year
- Combined long term margin of around 20% - lower than Op. Group average due to financing structure (i.e. rent charge)

FX SENSITIVITY



£ millions, unless stated	2014	2013	% Change	Revenue impact, £m
USD	1.66	1.55	(7.5)%	(17)
EUR	1.24	1.17	(6.5)%	(15)
AUD	1.82	1.62	(12.2)%	(10)
Other				(10)
Total				(52)

£ millions, unless stated	2014	2013	% Change	EBITDA impact, £m
USD	1.67	1.54	(8.6)%	(8)
EUR	1.26	1.16	(8.2)%	(5)
AUD	1.82	1.64	(10.7)%	(2)
Other				(5)
Total				(20)

ATTRACTION COUNT



	UK			Cont. Europe			Americas			Asia Pacific			Group		
	28 Dec 2013	Mov't	27 Dec 2014	28 Dec 2013	Mov't	27 Dec 2014	28 Dec 2013	Mov't	27 Dec 2014	28 Dec 2013	Mov't	27 Dec 2014	28 Dec 2013	Mov't	27 Dec 2014
SEA LIFE	13	-	13	18	-	18	5	1	6	8	-	8	44	1	45
Madame Tussauds	2	-	2	3	-	3	4	1	5	6	2	8	15	3	18
Dungeons	5	-	5	3	-	3	-	1	1	-	-	-	8	1	9
LDC	1	-	1	2	-	2	6	1	7	1	-	1	10	1	11
Eye	2	-	2	-	-	-	-	-	-	1	-	1	3	-	3
Other	-	-	-	-	-	-	-	-	-	6	-	6	6	-	6
Midway	23	-	23	26	-	26	15	4	19	22	2	24	86	6	92
LLP	1	-	1	2	-	2	2	-	2	1	-	1	6	-	6
RTP	4	-	4	3	-	3	-	-	-	-	-	-	7	-	7
Group	28	-	28	31	-	31	17	4	21	23	2	25	99	6	105

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 2014 exchange rates
EBITDA	Underlying basis, excluding exceptional items
LDC	LEGOLAND Discovery Centre
Lead price	Face value of a ticket, which may then be discounted
LFL	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
LLB	LEGOLAND Billund Resort
LLC	LEGOLAND California Resort
LLD	LEGOLAND Deutschland Resort
LLF	LEGOLAND Florida Resort
LLM	LEGOLAND Malaysia Resort
LLP	LEGOLAND Parks Operating Group
LLW	LEGOLAND Windsor Resort
MAP	Merlin Annual Pass
Midway	Midway Attractions Operating Group

GLOSSARY (CONT.)

Key terms	Definition
NBD	New Business Development
Resident Market	The total population living within a two-hour drive of the attractions
ROCE	Underlying Operating Profit after taking account of a normalised long term effective tax rate divided by end of period net operating assets
ROIC	Average EBITDA over the first five years divided by total development capex
RPC	Revenue per Cap, defined as Visitor Revenue dividend 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
Visitors	Represents all individual visits to Merlin owned or operated attractions

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



San Francisco
Orlando*



California
Florida



Atlanta
Boston
Chicago
Dallas
Kansas City
Toronto
Westchester



Orlando*

▲ EUROPE ATTRACTIONS



Benalmadena
Berlin
Blankenberge
Bray
Gardaland
Hannover
Helsinki
Istanbul
Jesolo
Königswinter
Konstanz
München
Oberhausen
Paris
Porto
Scheveningen
Speyer
Timmendorfer Strand



Amsterdam
Berlin
Vienna



Amsterdam
Berlin
Hamburg



Lake Garda



Milan



Soltau



Billund
Günzburg



Berlin
Istanbul*
Oberhausen

● UK ATTRACTIONS



Birmingham
Blackpool
Brighton
Great Yarmouth
Hunstanton
Loch Lomond
London
Manchester
Scarborough
Weymouth
and Tower



Gweek
Oban
Blackpool
Edinburgh
London
Warwick
York



Blackpool
London



Alton



Chessington



Warwick



Chertsey



London*



Windsor



Manchester



London
Blackpool

■ ASIA ATTRACTIONS



Bangkok
Busan
Shanghai



Bangkok
Beijing
Hong Kong
Singapore
Shanghai
Tokyo
Wuhan



Malaysia



Osaka*
Tokyo

◆ AUSTRALIA / NEW ZEALAND ATTRACTIONS



Auckland
Melbourne
Mooloolaba
Sydney



Manly



Sydney
Hamilton Island



Sydney



Sydney



Otway
Illawarra



Mount Hotham



Falls Creek

MERLIN
ENTERTAINMENTS

*Opening 2015



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