



Half year review to 5th November 2009

CENTER PARCS GROUP

HALF YEAR REVIEW TO 5 NOVEMBER 2009

Center Parcs is the largest provider of short break holidays in the UK. It operates four sites in Nottinghamshire, Suffolk, Wiltshire and Cumbria attracting in excess of 1.6 million guests each year.

Following the publication of our annual review for the year to April in October 2009, I am pleased to provide a half-yearly update on the performance of the Center Parcs Group for the 28 weeks to 5th November 2009.

Strategy update

We set out our strategy in the annual review and I am pleased to provide below an update on progress made:

Fifth site: Detailed design work has continued following the permission to divert public rights of way which was granted in early 2009. Work has commenced on the submission of Conditions and Reserved Matters arising from the outline planning permission and these include matters relating to; plans and scale of main buildings, local employment strategy, local purchasing policy, green travel and forest & ecology management plan. In December 2009 Center Parcs purchased land which will enable the construction of a new roundabout at Millbrook Junction.

Upgrading facilities: During the period we completed the refurbishment of the Leisure Bowl facility at Sherwood Forest. In addition work has commenced on designs for 5 additional Exclusive Lodges at Longleat Forest and 3 Treehouses at Sherwood Forest. These exciting new accommodation concepts will feature the latest in energy efficiency and sustainable design, and are expected to be complete by the end of the calendar year.

Delivering Excellent Service: In August 2009 we launched our biggest ever employee training and development programme 'Making Memorable Moments'. This exciting new programme involved all 6000 staff being trained to a new standard of delivering excellent customer service to our guests, with assessment and benchmarking from both internal and external sources.

Trading update

Despite the difficult economic conditions the business has performed ahead of last year in terms of both revenue and EBITDA. Revenue has grown 3.5% on the prior year, combining with efficiency savings to deliver a 5.4% growth in EBITDA. The peak summer trading period is key for the business and occupancy has been above 97% in the period under review, resulting in an increase of over 90,000 sleeper nights against the same period last year.

The trading results of the business, KPIs achieved and the forward booking position of the group at 5th November (78.2% of the financial year's available occupancy booked), all confirm that the Group is in a strong financial position despite the economic climate.

CENTER PARCS GROUP

HALF YEAR REVIEW TO 5 NOVEMBER 2009

Corporate Social Responsibility

During the period we entered into a partnership with Great Ormond Street Hospital Children's Charity to support the Beds for Bedz campaign. Center Parcs will be supporting Beds for Bedz by inviting our guests to opt-in and make a donation when booking their short break and then matching the amount donated. In total it is hoped the partnership will raise in excess of £30,000.

Center Parcs' commitment to protecting and enhancing the natural environment was recognised with the Green Business Award for Biodiversity Protection. The Green Business Awards 2009 or "Green Globes", celebrate the most innovative, ambitious and effective initiatives by UK businesses for achieving environmental sustainability, and implementing smart business practice.

Our People

Our employees are the lifeblood of our organisation and we were delighted to be reaccredited Investors in People and Hospitality Assured during the period. As previously mentioned all 6000 employees have now completed the 'Making Memorable Moments' development programme. In addition, in an environment where many businesses were making cuts, we were delighted to be able to reward our employees with both an annual pay increase and bonus.

Outlook and Conclusion

Trading subsequent to the half year remains ahead of the same period of previous year. Subsequent to the half year, bookings have been strong and occupancy forecasts for the remainder of this financial year and the following year are ahead of the previous year and in-line with management expectations.

Whilst the economic environment remains challenging, the Group is currently in a strong position to maintain its place as the leading provider of short breaks in the UK. The strength of the Center Parcs brand and the commitment of our work force to delivering the best possible guest experience, means we go into the second half of the year with confidence.

Martin Dalby
Chief Executive Officer