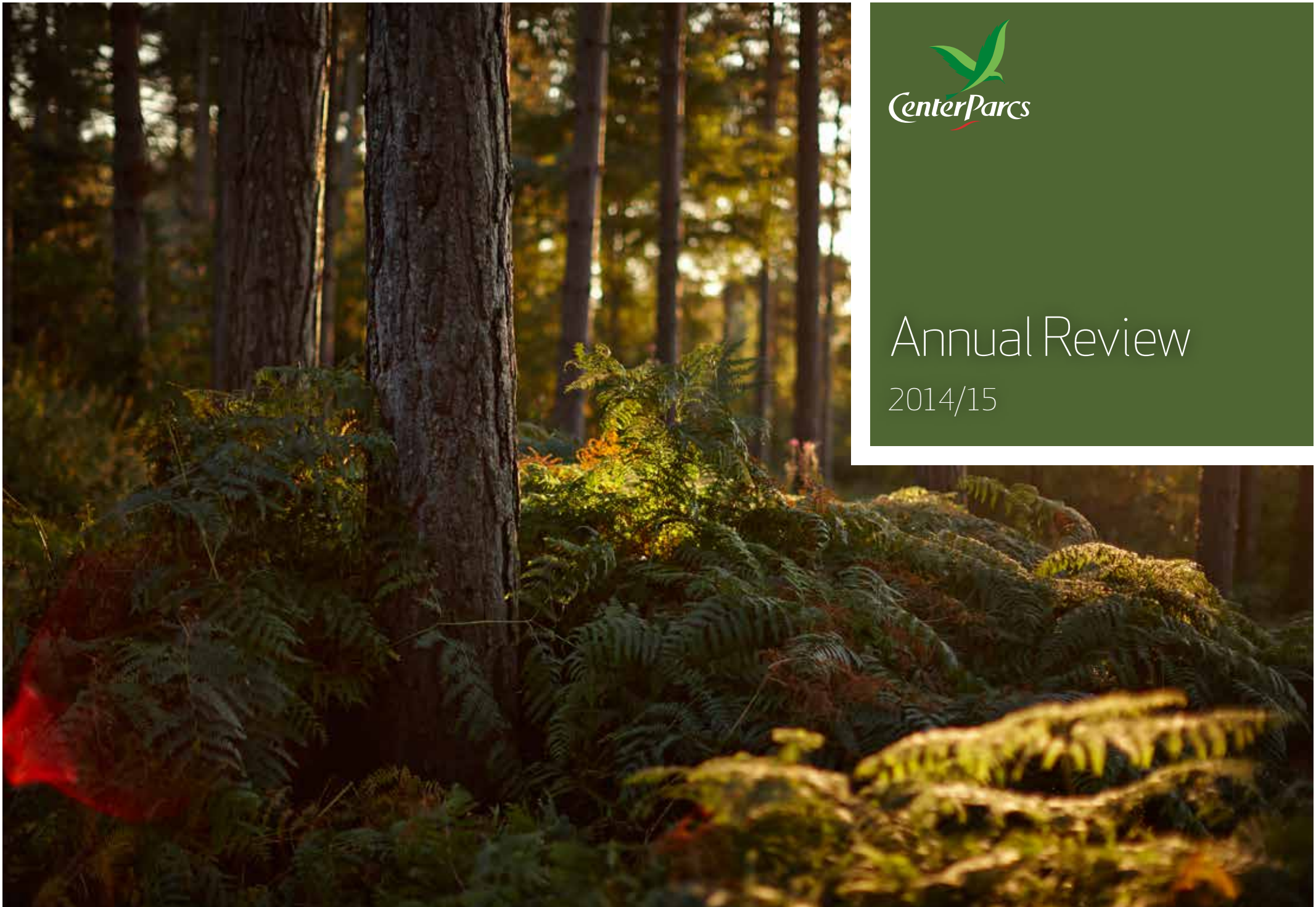




Annual Review

2014/15



Center Parcs is all about family time

Center Parcs targets the premium end of the UK family short break market, offering an escape from the stresses and strains of modern life. With recent trends showing an increase in family short breaks, particularly in the UK, the Center Parcs concept is more relevant today than at any point in its 27 year history in the UK market.

We have invested heavily in ensuring that we continue to deliver high quality accommodation and facilities, combined with an unrivalled array of activities that cater for the most discerning of families, as well as the most changeable of British weather. And there's nothing prescriptive about a short break at Center Parcs, with each family free to choose to do as little or as much as they like.

Center Parcs remains a unique proposition for families in the UK market and proves more popular every year with a long-standing run of growth in terms of visitor numbers, revenue and profits, as well as guest feedback scores and consistently high levels of returning guests.



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The Year in Numbers

	2014/15 ⁽¹⁾	2013/14 ⁽²⁾
Occupancy (%) – four original villages	97.5	97.2
Occupancy (%) – Woburn Forest	94.1	-
Sleeper nights (m)	6.8	5.9
Number of guests (m)	2.0	1.7
Capital investment (£m) ⁽³⁾	42.9	39.6
Revenue (£m)	385.2	314.6
Adjusted EBITDA (£m)	180.2	146.8
Profit before tax (£m)	22.8	20.6
Average daily rate (£) (net of VAT) – four original villages	153.90	153.67
Average daily rate (£) (net of VAT) – Woburn Forest	192.19	-
RevPAL (£) (net of VAT) – four original villages	150.01	149.38
RevPAL (£) (net of VAT) – Woburn Forest	180.94	-
Accommodation bookings via web (% of total)	82	81.5
Guest satisfaction (% of guests ranking their break as excellent or good)	96	96
Prompted brand awareness (% of people that when asked recognise the Center Parcs brand)	98	98
Employee turnover (%) ⁽⁴⁾	24	25

⁽¹⁾ Current year figures relate to 52 weeks of trading for the four original villages and 44 weeks of trading for Woburn Forest, which opened in June 2014.

⁽²⁾ Prior year figures relate to the original four villages only.

⁽³⁾ Excluding construction of Woburn Forest.

⁽⁴⁾ Excludes Woburn Forest.



Overview and Key Performance Indicators



96 % of respondents rank their break
at Center Parcs as excellent or good

Overview and Key Performance Indicators



The Center Parcs business operated five UK holiday Villages during the year:

- **Sherwood Forest in Nottinghamshire**
- **Elveden Forest in Suffolk**
- **Longleat Forest in Wiltshire;**
- **Whinell Forest in Cumbria; and**
- **Woburn Forest in Bedfordshire (opened to the public on 6 June 2014).**

The original four Villages (Sherwood, Elveden, Longleat and Whinell Forests) were owned and operated throughout the period under review by the group headed by Center Parcs (Holdings 1) Limited. Woburn Forest, which opened in June 2014, is owned and operated by CP Woburn (Operating Company) Limited, a separate legal entity. On 11 June 2015 CP Woburn (Operating Company) Limited was acquired by the Center Parcs (Holdings 1) Limited group as anticipated under the terms of the Group's financing arrangements.

The Villages are set in forest surroundings, typically 400 acres in size and provide high quality accommodation in fully equipped Lodges and Apartments.

Each Village offers an extensive range of sports and leisure activities plus numerous restaurants, bars and retail outlets and a superb Aqua Sana Spa facility. Woodland, water and a natural, healthy environment are the essential characteristics of the Center Parcs experience.

Center Parcs operates in the UK short break holiday market, which consists of three segments: (i) traditional holiday centres; (ii) holiday parks based on caravan or lodge accommodation; (iii) forest villages.

The Board of Directors and the Operating Board receive a range of management information on a periodic basis. The principal measures used to monitor the progress and performance of the business are set out below. All results for Woburn Forest relate to the 44 week period ended 23 April 2015, reflecting the period that the

Village was fully open to the public. As such, any combined figures reflect 52 weeks of trading for the original four villages and 44 weeks of trading for Woburn Forest.

Previous annual reviews have reported the financial results of the Center Parcs (Holdings 1) Limited group only; this annual review combines the results of the Center Parcs (Holdings 1) Limited group with those of CP Woburn (Operating Company) Limited ("the Group").

Revenue

Revenue for the period was £385.2 million (2013/14: £314.6 million), reflecting the opening of Woburn Forest.

Adjusted EBITDA

Adjusted EBITDA is earnings before interest, taxation, depreciation, amortisation, owners' costs and exceptional/non-underlying items. Adjusted EBITDA for the period was £180.2 million (2013/14: £146.8 million), again reflecting the opening of Woburn Forest.

Overview and Key Performance Indicators

continued



Occupancy

Occupancy is the average number of units of accommodation occupied as a percentage of the total number available. Occupancy for the period for the original villages was 97.5% (2013/14: 97.2%) and for Woburn Forest it was 94.1%. The average number of units of accommodation was 4,127 during the period (2013/14: 3,421), reflecting the 706 units of accommodation at Woburn Forest.

ADR (Average Daily Rate)

ADR is the average daily rent (excluding VAT) achieved based on total accommodation income divided by the total number of units of accommodation nights sold.

ADR for the original four villages for the period was £153.90 (2013/14: £153.67). ADR for Woburn Forest was £192.19.

RevPAL (Rent per available lodge night)

RevPAL is the average daily rent (excluding VAT) achieved based on the total accommodation income divided by the total available number of units of accommodation nights.

RevPAL for the original four villages for the period was £150.01 (2013/14: £149.38). RevPAL for Woburn Forest was £180.94.

RevPAL for the original four villages for the period was £150.01 (2013/14: £149.38). RevPAL for Woburn Forest was £180.94.

Forward bookings

Forward occupancy at April 2015 was 42% (2013/14: 41%). This is the number of bookings for the forthcoming financial year expressed as a percentage of the total available breaks for that year. This gives good forward visibility of future occupancy levels.

Prompted brand awareness

Prompted brand awareness was 98% (2013/14: 98%).

Guest satisfaction

We track guest satisfaction using questionnaires completed by guests online. 96 % (2013/14: 96%) of respondents rank their break at Center Parcs as excellent or good.

Employee Turnover

The labour turnover for the business during the period was 24% (excluding Woburn Forest) (2013/14: 25%).

Chief Executive's Review



“Another chapter in the history of Center Parcs written... the year four Villages became five and we looked forward to the future with news of our proposed sixth Village in Ireland. On 6 June 2014, our fifth Village at Woburn Forest opened its doors and welcomed its first guests. The opening of Woburn Forest was the culmination of a huge amount of planning, design and building and approximately £250 million development costs. It is testament to the strength and depth of our business and brand that the opening of Woburn Forest and the addition of 20% more capacity did not adversely impact on the guest experience at our existing four Villages nor did it have a material adverse effect on any of our key performance indicators.

The maintenance of our high standards is the key to securing our long term success. During the year, we invested £40.8 million of capital in our existing four villages. Consistently high levels of investment in our Villages ensures that the service and experiences we provide meet and exceed the high expectations of our guests.

As economic conditions have started to improve, the Center Parcs business continued its impressive growth trajectory; occupancy at the existing four Villages increased to a record 97.5% notwithstanding the additional capacity added by Woburn Forest. The occupancy at Woburn Forest reached 94.1% in its first partial year of trading. During the year, we welcomed over 2 million guests to Center Parcs.

On 2 April 2015, we announced that we had acquired an option over a 375 acre site in County Longford, Ireland as the site for the sixth Center Parcs Village. This exciting project, hot on the heels of Woburn Forest, provides us with the perfect springboard for our future growth.

On 3 August 2015, our previous owner, Blackstone, sold Center Parcs to Brookfield, a Canadian based global asset management company. Over the nine years that Blackstone has owned Center Parcs, we have flourished with their financial support, guidance and commitment. I have every confidence that under Brookfield's ownership and stewardship, we are perfectly placed, once again, to achieve our strategic goals in 2016 and beyond.”

A handwritten signature in white ink, appearing to read 'MD', enclosed within a large, stylized white oval.

Martin Dalby

Chief Executive Officer

Chief Executive's Review

Progress Against Strategic Objectives

Our business strategy is to be the leading provider of short break holidays in the UK.

2014/2015 was an exceptional year for Center Parcs as we opened our fifth Village at Woburn Forest. During this period, it was imperative that we maintained and enhanced the high standards that we deliver to our guests at the other four Villages. We therefore focussed on 3 key elements and we made excellent progress in each area:

Continued Capital Investment

During the year, we invested £42.9 million of capital, including £2.1 million at Woburn and £14 million on upgrading our accommodation. We upgraded 265 units of accommodation during the year. As a result, around 84% of our units of accommodation at the existing four Villages have been upgraded since we commenced the programme in 2008.

We continued to invest in our central buildings and leisure facilities. For example, we refurbished the changing rooms in the Aqua Sana at Sherwood Forest and finalised the plans for a new iconic ride and children's play area at Longleat Forest.

To reinforce our commitment to sustainability, we installed a Combined Heat and Power unit at Longleat Forest and in the Summer of 2014 our solar panel system at Head Office began generating around 10% of the electricity needs for Head Office.

Product Innovation

In 2015, we opened a new high adrenaline zip-wire across the lake at Elveden Forest and opened a low ropes course at Longleat Forest for our younger guests. Following the successful launch of Activity Den at Woburn Forest, we have rolled out Activity Dens to all our Villages together with a new range of exciting, engaging and interactive sessions to keep our smaller guests entertained!

We completed the roll out of Wi-Fi provision in all central buildings and accommodation at Woburn Forest and Elveden Forest providing our guests with excellent high speed connectivity.

We said that once we had proved certain concepts at Woburn Forest, we would roll them out to our other Villages. During the year, we opened a new Treats store at Sherwood and began the upgrades to the retail stores Aquatique, Sportique and Time for Shade across our Villages giving all our guests a high quality retail experience.



Chief Executive's Review *continued*

Our Guests, Our People and Our Environment

We continually recognise that at the heart of our success are our guests, our people and our environment.

96% of our guests rated their holiday as excellent or good across our existing four Villages and, with just 10 months of trading, 94% guests who visited Woburn Forest also rated their break as excellent or good.

These guest satisfaction levels are delivered by our enthusiastic, passionate and committed colleagues who go above and beyond 365 days per year. Our staff turnover levels of 24% (excluding Woburn Forest) are very low. This stability is the key to delivering the fantastic guest experience that we pride ourselves on.

This year in particular our colleagues deserve a special mention for the way that they all came together from across our four Villages and Head Office to ensure that Woburn Forest opened on time.

Hundreds of colleagues from across our business supported the opening of Woburn Forest, often staying away from home for long periods of time. Their support and commitment was the single biggest factor in getting Woburn Forest open and trading.

Whilst our water consumption increased over the year by 1% and the colder than average winter temperatures meant we did not quite meet our carbon reduction commitment, we increased our recycling volumes by 2.5% and we reduced the amount we send to landfill by a massive 15%. This demonstrates our continued commitment to the environment.

Now that Woburn Forest has welcomed its first guests, this year is about looking to the future. With this in mind, Center Parcs has 3 key objectives for the forthcoming year:

Objectives for the Coming Year *Ireland*

Having secured an option over 375 acres of woodland in County Longford, Ireland, we will commence preparatory work in order to submit our planning application for our sixth Village within the year. We believe that there is a direct correlation between the prospects of getting planning permission, the time frame within which planning is granted and the amount of detailed preparation work undertaken and the extent and breadth of community engagement and consultation undertaken.

During the year, we will assemble our project team that will be instrumental to submitting the planning application and ultimately delivering the project. We will undertake detailed design works alongside carrying out all of the necessary surveys and investigations. We will continue our programme of local consultation and engagement, explaining our project to local stakeholders throughout the project and taking on board their views. Our aim is to have planning submitted by the end of 2015.



Chief Executive's Review *continued*

Product Development

It is imperative that we continually invest in our business, its amenities and facilities.

With this in mind, we plan to:

- Start the building of further units of premium accommodation at Woburn Forest, for which we already have planning permission;
- Commence construction of additional premium units of accommodation across our Villages, including four treehouses at Elveden Forest;
- Obtain planning permission to build phase one of a two phase project to replace the Lakeview Hotel at Elveden Forest;
- Obtain planning permission to build a new iconic ride and children's play area in the swimming pool at Longleat Forest;
- Continue the accommodation upgrade programme to further improve our high standards.

During the coming year, we will continue to roll out high quality Wi-Fi to central buildings and accommodation at Longleat, Sherwood and Whinell Villages.

We will also continue to upgrade our restaurants and retail offering across our Villages, introducing the concepts that have already worked well at Woburn Forest.

As we continually strive to innovate and refresh our leisure offering, we will look to introduce new and exciting activities to ensure there is something for all of our guests to enjoy.

Our Guests, Our People and Our Environment

Center Parcs cannot achieve its objectives without its guests, its people and its tranquil natural surroundings. We are focussed on ensuring that each of our Villages maintains the very high level of guest satisfaction scores that they have achieved.

We are committed to ensuring that our considerable investment in recruiting, training and retaining our people is not wasted and lost to the business. We are aiming to keep staff turnover in line with prior years.

We will ensure that we remain focussed on meeting our ambitious carbon reduction target of 20% by 2020 (compared to our baseline 2009/2010 year) and to ensure that we remain committed to producing or sourcing 10% of our energy requirements from renewable sources by 2020.

We have recently launched our Community Fund. This Fund will allow each of our Villages and Head Office to sponsor local projects whether delivered by our colleagues or members of the community ensuring that the local area further reaps the benefit of our involvement in the communities that surround our Villages.



Group Financial Review



Financial highlights

- Net revenue up 22.4% to £385.2 million
- Adjusted EBITDA up 22.8% to £180.2 million
- Cash generated from operating activities of £182.6 million
- Capital investment of £42.9 million (excluding Woburn Forest construction costs)
- Profit before tax of £22.7 million

Financial Review

The original four Villages (Sherwood, Elveden, Longleat and Whinfell Forests) were owned and operated throughout the period under review by the group headed by Center Parcs (Holdings 1) Limited.

Woburn Forest, which opened in June 2014, is owned and operated by CP Woburn (Operating Company) Limited, a separate legal entity. On 11 June 2015 CP Woburn (Operating Company) Limited was acquired by the Center Parcs (Holdings 1) Limited group as anticipated under the terms of the Group's financing arrangements.

Group Financial Review

continued



Income Statement

The following income statement represents a combination of the Center Parcs (Holdings 1) Limited group and CP Woburn (Operating Company) Limited:

	2015			2014		
	Before exceptional and non-underlying items £m	Exceptional and non-underlying items £m	Total £m	Before exceptional and non-underlying items £m	Exceptional and non-underlying items £m	Total £m
Revenue	385.2	1.7	386.9	314.6	-	314.6
Cost of sales	(103.3)	(2.8)	(106.1)	(84.3)	-	(84.3)
Gross profit/loss	281.9	(1.1)	280.8	230.3	-	230.3
Administrative expenses	(101.7)	(8.8)	(110.5)	(83.5)	(12.1)	(95.6)
Adjusted EBITDA	180.2	(9.9)	170.3	146.8	(12.1)	134.7
Depreciation and amortisation	(40.4)	(0.6)	(41.0)	(31.0)	-	(31.0)
Owners' costs	(2.0)	-	(2.0)	(1.5)	-	(1.5)
Total administrative expenses	(144.1)	(9.4)	(153.5)	(116.0)	(12.1)	(128.1)
Operating profit	137.8	(10.5)	127.3	114.3	(12.1)	102.2
Movement in fair value of financial derivatives	0.2	16.8	17.0	-	0.5	0.5
Finance income	0.7	-	0.7	0.4	-	0.4
Finance expense	(115.9)	(6.4)	(122.3)	(94.1)	(0.1)	(94.2)
Profit before taxation	22.8	(0.1)	22.7	20.6	(11.7)	8.9
Taxation	(4.6)	(5.7)	(10.3)	(4.0)	10.4	6.4
Profit for the period	18.2	(5.8)	12.4	16.6	(1.3)	15.3

Group Financial Review

continued



Income Statement *continued*

Exceptional and non-underlying items are as follows:

	2015		2014	
	Woburn pre-opening losses £m	Other exceptional and non-underlying items £m	Total exceptional and non-underlying items £m	Woburn pre-opening losses £m
Revenue	1.7	-	1.7	-
Cost of sales	(2.8)	-	(2.8)	-
Gross profit/(loss)	(1.1)	-	(1.1)	-
Administrative expenses	(2.5)	(6.3)	(8.8)	(12.1)
Adjusted EBITDA	(3.6)	(6.3)	(9.9)	(12.1)
Depreciation and amortisation	(0.6)	-	(0.6)	-
Operating loss	(4.2)	(6.3)	(10.5)	(12.1)
Movement in fair value of financial derivatives	-	16.8	16.8	0.5
Finance expense	(2.1)	(4.3)	(6.4)	(0.1)
(Loss)/profit before taxation	(6.3)	6.2	(0.1)	(11.7)
Taxation	(3.1)	(2.6)	(5.7)	10.4
(Loss)/profit for the period	(9.4)	3.6	(5.8)	(1.3)

Group Financial Review

continued



Woburn Forest pre-opening losses are in respect of the eight weeks ended 19 June 2014 (2014: 52 weeks ended 24 April 2014). This period covers the final phase of the development build and a three-week trial break period. This is not considered representative of any on-going performance of Woburn Forest.

The £6.3 million of exceptional/non-underlying administrative expenses are costs incurred in respect of the Group's review of its strategic options.

The option to repay the B tranche of the Group's securitised debt prior to maturity is considered to be a derivative financial instrument. The fair value of this instrument increased by £16.8 million during the 52-week period ended 23 April 2015 and this increase has been recognised as an exceptional/non-underlying item.

Unamortised deferred issue costs of £4.3 million in respect of the A1 tranche of the Group's securitised debt were released during the 52-week period ended 23 April 2015 in light of the early repayment of this tranche of the debt shortly after the financial year-end.

Taxation in respect of the above items has also been treated as exceptional/non-underlying.

Financial review

This year has seen the Group produce another good trading performance, reflecting the continued attractiveness of Center Parcs as a short break destination in the UK. Profit before tax and exceptional/non-underlying items increased from £20.6 million to £22.8 million during the year following the opening of Woburn Forest.

As anticipated, the opening of Woburn Forest during the year had an impact on the original four villages, resulting in ADR growth marginally ahead of the prior year of 0.1%. The impact was principally observed in the southern villages, Elveden and Longleat, with a minimal impact at Sherwood and no apparent impact at Whinfell.

The results have been prepared on a going concern basis consistent with the view, formed after reviewing the Group's cash flow forecasts and trading budgets and making appropriate enquiries, that the Group is operationally and financially robust and will generate sufficient cash to meet its debt service requirements for the next 12 months.

Revenue

Revenue for the Group increased by £70.6 million, or 22.4%, to £385.2 million in the 52-week period ended 23 April 2015 compared to £314.6 million in the 52-week period ended 24 April 2014. This increase was primarily driven by the opening of Woburn Forest on 6 June 2014. The number of units of accommodation was 4,127 during the year ended 23 April 2015, reflecting an increase of 706 units from the prior year as a result of the opening of Woburn Forest.

Cost of sales

Cost of sales for the Group increased by £19.0 million, or 22.5%, to £103.3 million in the 52-week period ended 23 April 2015 compared to £84.3 million in the 52-week period ended 24 April 2014. This increase was primarily driven by the opening of Woburn Forest, partially offset by cost savings initiatives such as continually evaluating and renegotiating supply agreements centrally, improving the supplier tender process, taking advantage of promotional offers and renegotiating key costs in a timely manner.

Group Financial Review

continued



Administrative expenses

Administrative expenses for the Group increased by £18.2 million, or 21.8%, to £101.7 million in the 52-week period ended 23 April 2015 compared to £83.5 million in the 52-week period ended 24 April 2014. This increase was primarily driven by the opening of Woburn Forest, including additional marketing expenditure of £2.7 million.

Adjusted EBITDA

As a result of the factors outlined in “Revenue”, “Cost of sales” and “Administrative expenses” above, Adjusted EBITDA for the Group grew by £33.4 million, or 22.8%, to £180.2 million in the 52-week period ended 23 April 2015 compared to £146.8 million in the 52-week period ended 24 April 2014.

Depreciation and amortisation

Depreciation and amortisation for the Group increased by £9.4 million, or 30.3%, during the year, driven by the opening of Woburn Forest and continued capital investment in the original four villages.

Taxation

The underlying effective tax rate for the Group for the 52 weeks ended 23 April 2015 was 20.2% (2013/14: 19.4%).

Cash inflow

The Group continues to be highly cash generative, with a net cash inflow from operating activities during the year of £182.6 million (2013/14: £146.0 million).

This year has seen £72.3 million spent on capital projects (including the final phase of the construction of Woburn Forest) and £87.1 million on interest payments. Cash balances increased by £40.2 million to £104.0 million during the year.

Borrowings

At 23 April 2015, the borrowings of the Group (excluding loans from related parties) totalled £1,180.1 million, being £1,020.0 million of secured financing raised during the 2011/12 financial year, bank borrowings in respect of the construction of Woburn Forest of £158.6 million and a mortgage of £1.5 million on the Group's head office.

On 22 May 2015, the Group announced the pricing of an aggregate of £490.0 million of New Class A senior notes, divided into £350.0 million 2.666% notes due to mature in February 2020 and £140.0 million 3.588% notes due to mature in August 2025. The proceeds of these notes, along with existing cash resources available, were used to

refinance the Group's £300 million Class A1 notes, which were due to mature in 2017, together with the Woburn bank borrowings and funded the acquisition of the equity share capital of CP Woburn (Operating Company) Limited by the Center Parcs (Holdings 1) Limited group.

On 3 August 2015, the Group issued £560,000,000 of 7.000% Class B2 fixed rate secured notes due to mature in 2020. The proceeds of these new Class B2 notes were, in part, used to redeem the existing Class B borrowings of £280 million which were due to mature in 2018. The remaining secured borrowings are in respect of the Class A2 borrowings of £440 million which have an expected maturity date of 28 February 2024.

The secured financing agreement includes a number of covenants that the Group is required to comply with, including the maintenance of certain minimum ratios of free cash flow to debt service, which it does with a comfortable amount of headroom. The borrowings are secured on the assets of the Group.

Corporate Responsibility





Corporate Responsibility

Our Villages are built deep within the forest, enabling our guests to enjoy acres of unspoilt woodland where they can interact directly with nature. This close link with the natural environment means we have always been committed to the protection of our surroundings. However, our responsibilities go far beyond this. As a sustainable business, we seek to benefit and improve the communities in which we operate, by sourcing local services and produce, wherever possible. We aim to minimise our impact on the environment and encourage biodiversity when caring for Center Parcs' forests but also the wider surroundings. We understand the importance of a sustainable community too and work closely with our employees, local suppliers, communities and charities across the UK to improve the way we operate.

Sustainability

The Center Parcs experience is built around enabling our guests to enjoy the natural environment. It is therefore vital that we protect it. Through the rigorous adherence to our Environmental Management System, (which is independently audited under ISO14001), we continue to make progress in our efforts to reduce the impact of our business on the environment.

Our Sustainability Strategy sets out our commitments to 2020.

During the past year we have made progress towards our Sustainability Strategy targets.

- **Electricity usage reduced by 4% during the period, although gas usage increased by 3% due to the cold weather conditions;**
- **Water consumption increased over the year by 1%;**
- **Recycling increased by 2.5% (88 tonnes) and General Waste was down 15% (911 tonnes);**
- **We diverted 663 tonnes of food waste from landfill; and**
- **Overall Center Parcs' carbon emissions decreased by 188 tonnes or 0.1% on the previous year.**

Last year was much cooler than previous years and as such our gas usage has increased by 3%. When adjusted for the weather, we reduced our overall usage by 0.1% compared to the previous year. We remain committed to our strategic targets and have a range of measures in place to help us achieve our ambitious targets including investing in new boilers and smaller scale energy initiatives, including LED panels, variable speed drives in machinery and heat recovery systems.

During the past year, in order to help reduce our carbon footprint, we have continued our programme of installing Combined Heat & Power Units. The latest was installed at Longleat Forest. We have also continued to fund £100,000 of energy saving initiatives across the Villages, such as installing LED lighting in all lodges and where possible, central buildings, refurbished lodges now have a master light switch and Combi boilers and all appliances, where possible, are at least A rated.

Carbon reduction targets continue to be an important part of our employee bonus schemes, and during the year we completed another period of the Home Energy Savers, a scheme designed to help our employees reduce the carbon footprint in their own homes. The scheme is now in its second year and rewards employees by matching any savings they make on their gas, electricity and water usage over 12 months. The first overall winner saved £539 on her previous year's bills and won both the Gas and Electricity categories. She won a cash lump sum to spend on home improvements related to sustainability.



Corporate Responsibility *continued*

Nature and Biodiversity

Our forests define Center Parcs. When planning a Center Parcs Village, it is the woodland setting which provides the opportunity, atmosphere and unique characteristics of each location, and we recognise our duty to protect and enhance the forests in which we operate.

Each Village supports a remarkable diversity of flora and fauna, including endangered and rare species, such as the red squirrel colony at Whinfell Forest. A dedicated team of rangers work hard to maintain this level of biodiversity, at the same time as attracting new wildlife to the area.

This year, we were again awarded The Wildlife Trusts' Biodiversity Benchmark in recognition of our continual efforts to nurture and care for our forests.

Community

We have an extremely close relationship with the communities surrounding our Villages, with 83% of our employees living within 15 miles of a Center Parcs Village, as well as our commitment to using local suppliers wherever possible. In the last year, at our newest Village, Woburn Forest in Bedfordshire, we have been involved in several projects which benefit the local community, including bracken pulling at Cooper's Hill.

Our People

Our people are our most important asset and critical to our success, most directly interact with our guests and ensure they enjoy their stay with us, coming back again and again. We employ over 7,500 individuals and take great pride in delivering initiatives that support, develop and reward all our employees, whatever their role within the company.

We are proud to be able to recognise our employees in a meaningful and rewarding way. Over 90% of colleagues have registered on a new online rewards and recognition portal. In addition to the rewards provided from this new initiative, we are also pleased to be paying an annual bonus to all eligible employees for the 11th consecutive year.

58% of our colleagues have been with us for three years or more, reflecting our dedication to retaining our people. With Woburn Forest reaching its first anniversary, we are pleased to report that we have met our target of retaining 65% of the opening workforce.

Center Parcs is accredited by Investors In People, and we encourage our employees to develop both their skills and careers with us. With over 500 training courses and

programmes, Center Parcs continues to be committed to ensuring that our people have all the relevant skills, knowledge and experience in order to deliver excellent service to our guests.

We tested Woburn Forest against the current Investors In People standards and, impressively within its first year of operation, it would have met the standards had we applied for full accreditation.

This year has seen a strong focus on mandatory and compliance training, alongside our regular developmental programmes. Over 2,000 colleagues were trained in the new Allergen Regulations and 120 of our Security colleagues were trained in the new Security Industry Association standards.

But it's not all about compliance; we have invested heavily in our Leisure and Aqua Sana Spa teams to ensure we continue to offer exciting new and improved activities. We have also continued to develop our Team Members, Supervisors and Managers through our ASPIRE Leadership Development programme, with over 100 colleagues completing their programme this year.



Center Parcs Charity Partners 2014/2015



Corporate Responsibility *continued*

Center Parcs is wholly committed to embracing and supporting equality and diversity throughout our workforce; it forms an essential part of our culture. We are proud that our workforce diversity levels reflect the local populations we recruit from.

The table below provides a breakdown of the gender of the Directors, Senior Managers and employees during the financial year:

Center Parcs	Male	Female
Board of Directors ⁽¹⁾	7	1
Operating Board ⁽²⁾	5	1
Senior Managers ⁽³⁾	12	10
All other employees	2,222	5,388

⁽¹⁾ Directors of the UK holding company, Center Parcs (Holdings 1) Limited.

⁽²⁾ The management team responsible for day to day operations within the Group.

⁽³⁾ We have defined Senior Managers as those managers which report directly to a member of the Operating Board.

Our Charitable Partnerships

Center Parcs has a strong background of charitable support, offering donations in both financial terms and gifts in kind, to a range of charitable organisations. We have long been involved with a number of charities and appeals, both nationally and in the local areas surrounding our UK villages and Head Office.

We recognise our responsibility to support the communities in which we operate and equally it's important

for us to help organisations whose values, ethos and aims align with our own which focus on family health & wellbeing, children and the protection of the natural environment.

Every few years we make a commitment to a long-term charitable partnership and also pledge our support by donating breaks across a number of charities supporting families during difficult times.

We are currently supporting two charities as our corporate charity partners: ChildLine and The Wildlife Trusts. Both charities align with our own values and ethos, with a focus on families, children and the protection of the natural environment. This year, we have raised more than £100,000, which is split equally between both charities, through guest donations, match funding and fundraising events from Center Parcs.

Our partnership with ChildLine supports the ChildLine Schools Service, a ground-breaking service that aims to protect a generation of children, one primary school at a time. Specially trained volunteers are aiming to visit every primary school in the UK to help children understand abuse and show them that someone is ready to listen.

We have also chosen to support The Wildlife Trusts' 'Real Life' appeal,

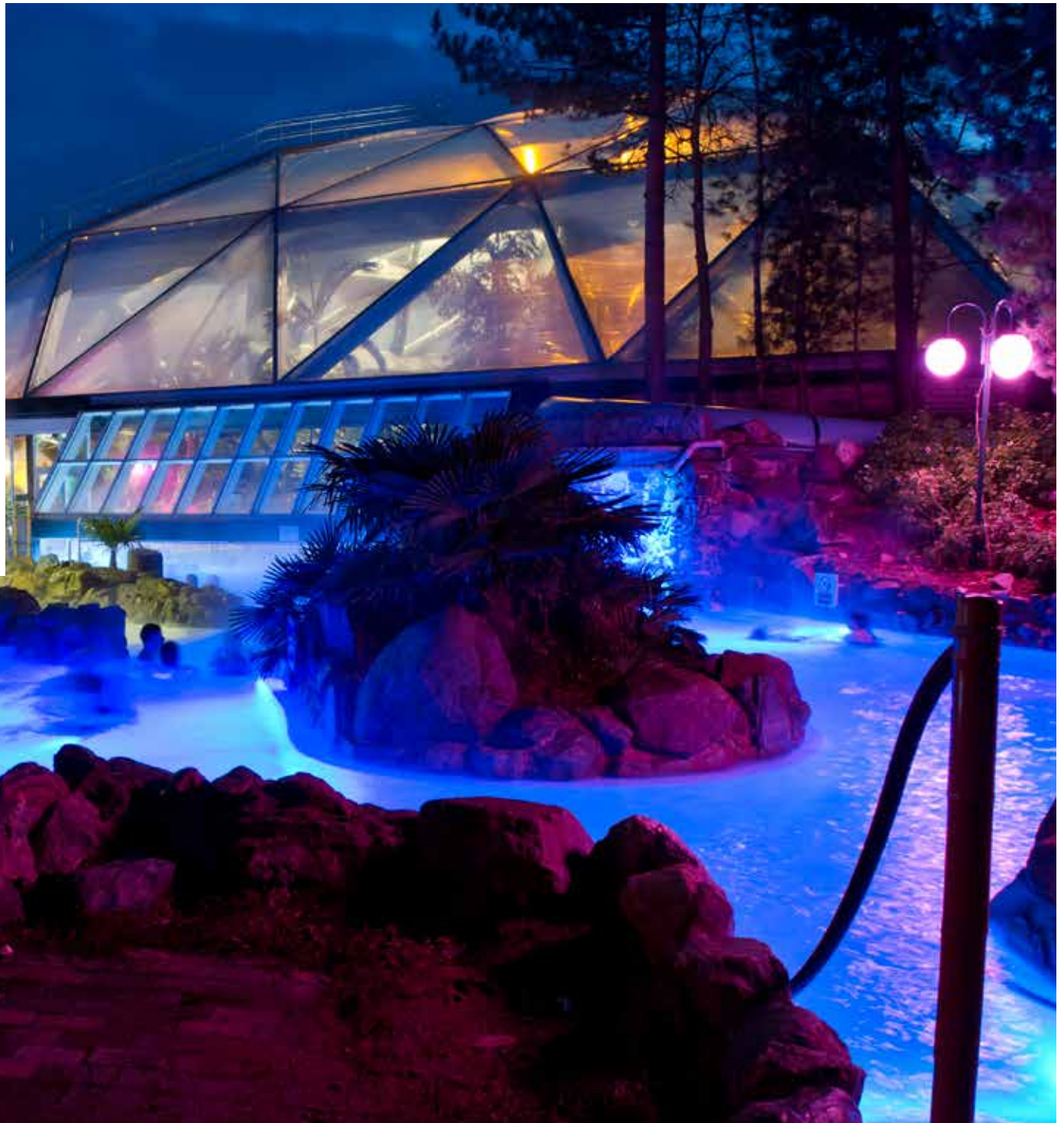
which aims to recover our natural environment and create 'Living Landscapes' across the country. The appeal hopes to inspire people about the natural places that are important to their communities and families, bringing nature into their daily lives.

Alongside our corporate partnerships, we also support a number of local and national charities helping children and families who are going through difficult times. By donating a number of breaks each year, we give these families the chance to enjoy some quality time together. Last year, we donated 65 short breaks to the value of more than £43,000 to 11 charities, including Together for Short Lives, Josie's Dragonfly Trust and Dreams Come True.

Each Center Parcs Village also has a team of employee representatives, known as 'Village Councils', as well as the equivalent 'Head Office Council'. These teams select a number of local charities and causes to support each year and, in the last financial year, donated approximately £8,500.

All Center Parcs employees are able to join the Workplace Giving scheme, which enables employees to donate directly to a charity of their choice via our payroll system. In total, this scheme raised £3,420 in the financial year.

Ownership and Management Structure



Ownership and Management Structure



Our History

- 1968 - the first Center Parcs Village opened in the Netherlands.
- 1987 - the first UK Village opened in Sherwood Forest, Nottinghamshire. Further Villages were opened at Elveden Forest, Suffolk in 1989 and Longleat Forest, Wiltshire in 1994 and Whinfell Forest, Cumbria was acquired in 2001.
- 2001- the Center Parcs Europe and UK businesses were split and the UK business was sold to Deutsche Bank Capital Partners.
- 2003 - the UK business was floated on the London Alternative Investment Market.
- 2005 - the UK business moved to a main London stock market listing.
- 2006 - Center Parcs UK was acquired by funds advised by the Blackstone Group.
- 2014 - the fifth Center Parcs' Village opened at Woburn Forest in Bedfordshire.

- 2015 - Center Parcs announced, in April it had acquired an option over a site in Ireland for the sixth Center Parcs Village
- 2015 - on 3 August 2015 the Blackstone Group sold Center Parcs UK to Brookfield, a Canadian based global asset management company.

Our Business

At the end of the financial year the Center Parcs business was ultimately owned by investment funds advised by the Blackstone Group. However, the Blackstone Group sold the Center Parcs UK business on 3 August 2015 to Brookfield, a Canadian based global asset management company.

As at the end of the financial year the ownership split was as shown below:

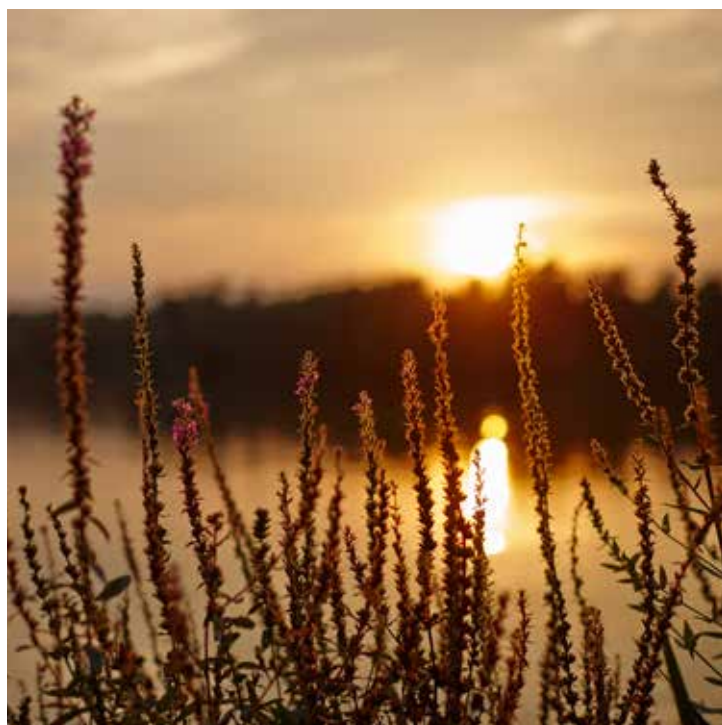
Funds advised by the Blackstone Group	92.4%
Funds advised by Lexington Partners UK Limited	5.9%
Management	1.7%

The Center Parcs business was managed, during the financial year, in the UK by the Board of Directors which comprised of representatives of its principal shareholder, the Blackstone Group together with three executive members.

Day to day operational oversight is the responsibility of the Operating Board which is made up of two executive members and, as at the year end, three members of senior management.

Ownership and Management Structure

continued



The Board of Directors

At the end of the financial year the members of the Board were as follows, although as noted below, the shareholder representative directors resigned following the sale of the Center Parcs UK business in August 2015 and were replaced by new shareholder representative directors:

Martin Dalby

Chief Executive Officer

Martin joined Scottish and Newcastle in 1978 where he held various accounting positions before joining Center Parcs UK in January 1995 as Financial Controller. In 1997 he became Finance Director of Center Parcs UK and in July 2000 he was appointed Chief Executive Officer. He has led the UK business through the change of company ownership from Scottish and Newcastle to Deutsche Bank Capital Partners (subsequently MidOcean Partners) as well as the acquisition and integration of Oasis Whinfell Forest. He then led the float of the business onto AIM in December 2003, the transition to the London Stock Exchange's main list on 1 March 2005, the purchase and sale by the Blackstone Group and subsequent purchase by Brookfield.

Paul Inglett

Finance Director

Paul joined Marston's PLC (formerly The Wolverhampton & Dudley Breweries, PLC) in 1992. He was appointed to the board as Group Finance Director in 2002, having previously held a number of senior financial roles within the group. During his time at Marston's he had responsibility for the finance, IT, purchasing and estates teams across the group. He was Finance Director during a period of significant change for the group and was closely involved in a number of major acquisitions and disposals, which resulted in a number of significant refinancings of the group, including two securitisations. In January 2010 he joined Center Parcs as Finance Director and is CIMA qualified.

Ownership and Management Structure

continued



The Board of Directors

Martin Robinson

Chairman (resigned on 2 June 2015)

Martin was a management consultant at McKinsey & Co in both Chicago and London before joining S&N Retail in 1994 as Commercial Director. Prior to this he worked for Reckitt & Coleman and Sara Lee Corporation. He joined Center Parcs as Managing Director of its European business in October 1997 and was appointed as Chairman of the Board of Management of the Center Parcs Group in November 1999. He led the management buy-out of Center Parcs by Deutsche Bank Capital Partners in 2001 and, following the split of the European and UK businesses, was appointed Chairman of both. He left Center Parcs Europe in July 2004. He is also a non-executive director of EuroDisney SCA.

Andrea Valeri

(resigned 3 August 2015)

Andrea Valeri is a Managing Director in the Blackstone Private Equity Group and is based in London. Since joining Blackstone in 2005, he has been involved in Blackstone's investments in Kabel BW, Gardaland, and Jack Wolfskin. Before joining Blackstone, he was a Vice President

at Goldman Sachs, where he spent several years in the Merger & Acquisition and Consumer and Retail groups. Prior to that, he worked at Bain & Co. as a management consultant.

Peter Stoll

(resigned 31 July 2014)

Peter Stoll is a Senior Managing Director and Chief Operating Officer of the Blackstone European Real Estate Group based in London. Since joining Blackstone in 2002, he has been responsible for acquisitions, asset management and disposition activities across Europe, including the Skanska Office portfolios and other assets in Sweden, the pan-European Deutsche Bank portfolio, the WCM Residential portfolio in Germany and the French healthcare platform. Before joining Blackstone, he was an Associate Director at The Carlyle Group and a Senior Associate in the acquisitions group of the Morgan Stanley Real Estate Fund in London.

Farhad Karim

(resigned 3 August 2015)

Farhad Karim is a Managing Director in the Blackstone Real Estate Group based in London. Before joining Blackstone in 2011, he was a partner

at Simpson Thacher & Bartlett LLP, where he worked on the acquisition, financing, and disposition of complex real estate investments including in the hospitality, logistics, office, residential, and retail sectors in Asia, Europe, and the United States.

Michael Pegler

(resigned 3 August 2015)

Michael Pegler is a Managing Director in the Blackstone Real Estate Group based in London. He is involved in portfolio and asset management activities across the Blackstone business. Before joining Blackstone in 2005 he worked as a Senior Manager in the Investment Management team at Deloitte and specialised in services to private equity and real estate funds.

Tania Daguere-Lindbäck

(resigned 3 August 2015)

Tania is a Principal in the Blackstone Private Equity Group and is based in London. Since joining Blackstone in 2004, she has been involved in Blackstone's investments in Southern Cross, Sulo, ICS and Pulse. Before joining Blackstone, she worked at Goldman Sachs in the Mergers & Acquisitions division in London and Paris.

Ownership and Management Structure

continued



Operating Board

During the financial year Martin Dalby, Chief Executive Officer and Paul Inglett, Finance Director, along with the following members of senior management were members of the Operating Board:

Paul Kent

Operations and Development Director

Paul started his career in retail management with Safeway plc and joined Center Parcs in 1987, when the first holiday Village was established in the UK. During his career with Center Parcs UK he has held a variety of roles with responsibility for Retail, Leisure and Food & Beverage before moving to the position of General Manager of Sherwood Forest and then taking up the UK Operations Manager role in 2002. In January 2004 he was appointed to the position of Commercial Director and in May 2012 took over responsibility for both Operations and Development.

Colin Whaley

Sales and Marketing Director

Colin joined British Airways in 1987, gaining broad experience in a number of departments before being appointed as Head of Sales and Marketing with BA Holidays in June 1998. Following the acquisition of BA Holidays by Thomas Cook Holidays he headed up Sales and Marketing for the newly merged company. In June 2002 he took up the position of Marketing Director at Travelbag Limited. After this business was acquired by ebookers, Colin was promoted to Marketing Director of ebookers (UK), adding ebookers and Bridge The World to a multi-brand portfolio. He joined Center Parcs in November 2004 as Sales and Marketing Director.

Don Camilleri

Woburn Construction Director (resigned 31 July 2014)

Don graduated as a civil engineer and held a number of senior engineering positions in the UK and overseas. While at Ove Arup and Partners he was the senior engineer on the building of Center Parcs Sherwood Forest. In 1986, Don was appointed as Director of Development and Engineering for Center Parcs UK and has since been responsible for all development projects. He is a Chartered Engineer and member of the Institution of Structural Engineers as well as a member of the European Federation of National Engineering Association. In May 2012 he was appointed Woburn Construction Director.

Ownership and Management Structure

continued



Operating Board

Graham White

*Woburn Implementation Director
(resigned 31 July 2014)*

Graham joined Center Parcs in 1989 as Food & Beverage Manager at Elveden Forest having previously been a General Manager of Sodexo and the proprietor of The Malbank Hotel in Cheshire. He was promoted to Deputy General Manager for Elveden Forest followed by General Manager for Sherwood Forest and UK Operations Manager, before becoming UK Operations Director in September 2000. In May 2012 he was appointed Woburn Implementation Director.

Judi Leavor

*HR Director
(resigned 31 December 2014)*

Judi joined Center Parcs at its inception in the UK in November 1985 and was promoted through a number of personnel roles before being appointed Human Resources Director in March 2002. Judi was responsible for approximately 7,000 Center Parcs employees, as well as Training and Development, Pensions and Payroll. She holds Chartered Fellow status of the CIPD, was a finalist in the Vitalise Business Women of the Year Award in 2013 and was an active participant in CBI policy matters relating to HR both regionally and nationally.

Rajbinder Singh-Dehal

*HR and Commercial Services Director
(appointed 1 January 2015)*

Raj joined Center Parcs in June 2009 as Company Secretary with responsibility for legal, pensions, health & safety, insurance and risk. In May 2012, he was appointed as Head of Legal and Commercial Services which saw him assume responsibility for Purchasing in addition to his previous responsibilities. In January 2015, he was appointed as HR and Commercial Services Director. In his new role, he added Human Resources to his remit and joined the Center Parcs Operating Board. Before joining Center Parcs, Raj was Head of the Corporate & Commercial legal team at Alliance & Leicester plc. He started his career with Eversheds LLP where he practised as a corporate lawyer advising large to medium sized public and private companies. He qualified as a Solicitor in September 2001.

Principal Risks and Uncertainties



Principal Risks and Uncertainties *continued*

Center Parcs adopts a proactive approach to the management of potential risks and uncertainties which could have a material impact on the performance of the business and execution of its growth strategy. The Operating Board are actively involved in the Center Parcs' Risk Committee. In addition to ongoing monitoring, the Risk Committee meets quarterly to oversee risk management arrangements and ensure appropriate processes are put in place to mitigate potential risks and uncertainties. The Fire, Health and Safety Steering Committee also meets bi-monthly to oversee operational risks.

There are a number of potential risks and uncertainties which could have a material impact on Center Parcs' performance and execution of its growth strategy. These risks include, but are not limited to:

Operational Risk Factors

Health and Safety

The health, safety and welfare of Center Parcs' guests and employees are central to Center Parcs' operations. Center Parcs is committed to maintaining industry leading standards in health and safety including fire and food safety and adopts a proactive approach to its safety management. All incidents are recorded and reviewed to monitor trends and capture learning points that are then integrated into the business. The Fire, Health and Safety Steering Committee reviews major incidents and is focused on continuous improvement to mitigate this risk.

Business continuity

Center Parcs operates five holiday Villages in the UK and a significant interruption of any one would have a material impact on the business. As a result, the Risk Committee supervises comprehensive risk management arrangements, including business continuity plans, which are regularly tested with the support of external specialists.

These arrangements are supported by a broad insurance programme.

Supply chain

Center Parcs has a large number of suppliers and prides itself on the quality of its product. The business could be adversely affected by a fall in the standard of goods or services supplied by third parties or by a failure of a key partner. These risks are mitigated via a robust supplier registration system for food and safety further supported by independent advisors. In addition, the Risk Committee considers supply chain contingency arrangements and takes appropriate measures.

Contractual arrangements

Center Parcs has contracts with third parties for the supply of goods and services. Contracts are negotiated at arm's length and Center Parcs does not enter into contracts that are outside the ordinary course of business or those that contain onerous terms. Center Parcs adopts a compliance programme to ensure that it is compliant with its material contractual commitments. There is no single contractual counterparty that is critical to the running

of the business. The failure of any critical contractual counterparty is managed through supply chain contingency arrangements (see the supply chain risk).

Employees

Center Parcs' performance largely depends on its managers and staff, both on the Villages and at head office. The resignation of key individuals or the inability to recruit staff with the right experience and skills could adversely impact the business's results. To mitigate these issues the business has invested in training programmes for its staff and has a number of bonus schemes linked to the business's results and achievement against key performance indicators linked to guest satisfaction that are designed to reward and retain key individuals.

Input price increases

The business's margin can be adversely affected by an increase in the price of key costs to the business including, but not limited to, wages, overheads and utilities. The business takes proactive steps to manage any such increases including cost control, forward buying and budgeting for any increase.



Principal Risks and Uncertainties *continued*

Brand

The Center Parcs brand could be adversely affected by a serious incident, accident or similar occurrence or just a slow decline in the brand's appeal to consumers. The business mitigates the risk of a serious incident, accident or similar occurrence by maintaining industry-leading health and safety systems and standards of training. The risk of a slow decline in the brand's appeal is managed through continuous product innovation, marketing campaigns and brand development.

Market Risk Factors

General economic conditions

The disposable income of Center Parcs' guests and/or their holiday preferences are and will be affected by changes in the general economic environment and this may result in a fall in the number of guests and/or a decrease in on-site expenditure. Center Parcs regularly reviews its product offering and engages with guests to ensure it provides value for money to meet guest needs.

Competition

The Center Parcs brand is synonymous with high quality short breaks in a forest environment but Center Parcs competes for the discretionary expenditure of potential guests, who could choose to take short breaks at other destinations or participate in other recreational activities. This risk is mitigated by the strength of the Center Parcs brand and continual investment in the accommodation and central facilities (including retail and restaurants) coupled with the innovation amongst the leisure activities and the responsiveness to guest surveys.

Seasonality and Weather

Demand for short breaks is influenced by the main peak holiday periods at Easter, the summer holidays and the Christmas/New year period. The seasonality risk is mitigated by online dynamic pricing which encourages demand outside of the peak periods. The accommodation is located within forest environments and a significant number of activities take place outdoors. Therefore, demand may be impacted by the prevailing weather. This risk is minimal because guests tend not

to book on impulse and the vast majority of breaks and activities are booked in advance. Additionally, Center Parcs maintains diversity between its indoor and outdoor activities to mitigate this risk.

Financial risks

The Board of Directors and the Operating Board regularly review the financial requirements of the business and the associated risks. Center Parcs does not use complicated financial instruments and where financial instruments are used they are used to reduce interest rate risk. The business does not hold financial instruments for trading purposes. The business finances its operations through a mixture of retained earnings and borrowings as required. Historically, Center Parcs has sought to reduce its cost of capital by refinancing and restructuring the business's funding using the underlying asset value.

Following the refinancing of the Center Parcs group on 11 June 2015 and 3 August 2015, the principal sources of borrowing are fixed interest rate loan notes.

Liquidity risk

The business holds sufficient levels of cash to enable it to meet its medium-term working capital and debt service obligations. Rolling forecasts of liquidity requirements are prepared and monitored and surplus cash is invested in interest bearing accounts.

Currency risk

Whilst no borrowings are denominated in foreign currencies, a number of suppliers are exposed to the Euro and US Dollar. Accordingly, wherever possible Center Parcs enters into supply contracts denominated in Sterling. Center Parcs does not operate a hedging facility to manage currency risk as it is not considered to be material.

Credit risk

Concentrations of credit risk with respect to trade receivables are limited due to the vast majority of customers paying in advance. Cash balances are held on deposit with a number of UK banking institutions.



