Compagnie des Alpes
30 ans

## ANNUAL SALES FOR 2018/2019: +6.6%

## GOOD SEASON FOR SKI AREAS AND VERY DYNAMIC SALES IN LEISURE DESTINATIONS

Press Release

*Paris, October 17, 2019* – Compagnie des Alpes posted consolidated sales for the 2018/2019 financial year of €854.0 M, an increase of 6.6% on a reported basis and of 4.2% on a comparable scope basis, versus the prior financial year.

### Group consolidated sales, October 1, 2018 through September 30, 2019

| (in thousands of €) | **2018/2019** | **2017/2018** | **Change** | **Change** *Comparable basis*(1) |
|---|---|---|---|---|
| Ski Areas | 443 777 | 429 324 | +3.4% | +3.4% |
| Leisure Destinations | 380 713 | 339 927 | +12.0% | +7.0%(1) |
| Holdings and Supports | 29 521 | 31 975 | -7.7% | -13.9%(1) |
| **Total** | **854 011** | **801 226** | **+6.6%** | **+4.2%** |

*(1): The change on a comparable scope basis excludes the sales of Familypark (Leisure Destinations), consolidated as of April1, 2019, as well as those of Travelfactory (Holdings & Support) for the first quarter of 2018/2019, as this acquisition was not consolidated until the 2nd quarter of the prior year, i.e. January 1, 2018.*

*In addition, the various restatements related to changes in revenue recognition methods (including IFRS 15) have no impact on total sales for 2017/2018 as reported at the end of last year and no impact on the distribution of sales between the 4 quarters. These restatements are provided in detail at the end of this press release.*

## SKI AREAS: GOOD SEASON FOR ALL THE GROUP'S SKI RESORTS; 4TH CONSECUTIVE SEASON OF GROWTH IN SKIER DAYS

Sales for Ski Areas over the 4th quarter of the financial year (less than 2% of this business unit's annual sales) came to €7.1 million, an increase of 3.6% versus the same period of FY2017/2018. The bulk of the sales were provided by the Tignes and Deux Alpes resorts.

For the year as a whole, sales reached €443.8 million, an increase of 3.4% compared with the previous financial year, which, as a reminder, included a property sale totaling €2.4 million. Lift ticket sales alone increased by 3.9%, driven by growth in the number of skier days (+0.6%) and by an increase in average spend per skier day of +3.3%.

This season rolled out under favorable snowfall conditions virtually across the board in France. Despite facing greater competition, the Group once again saw an increase in the total number of skier days, for the fourth year in a row. The Group also notes that sales grew for all of its ski resorts during the period.

In addition to the natural qualities of the resorts operated by the Group, these performances once again demonstrate the relevance of its business model and the soundness of its strategy, based on continuous improvement in the quality of its Ski Areas, (development and optimization of lifts and equipment), active participation in boosting accommodation options and the creation of beds, and on the distribution and marketing of mountain holidays.

## LEISURE DESTINATIONS: VERY GOOD SEASON THANKS TO ROBUST ORGANIC GROWTH IN THE 4TH QUARTER AND THE ACQUISITION OF FAMILYPARK

Leisure Destination sales increased in the 4th quarter by +19.6% on a reported basis, reaching €170.2 million. Excluding the impact of the acquisition of Familypark, sales grew by a substantial +12.1%. This performance is the result of a series of actions undertaken by the Group:

- An investment strategy that seeks continuous improvement in the appeal of its parks and offers new capacity;
- An extension of catchment areas thanks to the expanded hotel offering;
- Expanded operating hours, which increases customer satisfaction and helps grow sales;
- An improvement in infrastructures and the in-park offering (in particular, restaurants and shopping);
- A digital strategy that is beginning to bear fruit;
- Increased media presence to strengthen promotional communications.

As a result, Compagnie des Alpes had a record quarter for this business unit.

For the financial year as a whole, sales for Leisure Destinations totaled €380.7 million, a +12.0% increase on a reported basis.

On a like-for-like basis, growth reached +7.0%. This performance can be explained in particular by a further increase in spending per visitor (+4.5%). In fact, investments in site infrastructure and improvements in the product range led to an increase in spending per in-park visitor, with a sharp increase in capture rates and an increase in average spending in restaurants and shops at the main sites.

This strong growth can also be explained by an increase in attendance of +2.5% on a like-for-like basis thanks in particular to the very good performance of the French sites, setting new records, notably at Parc Astérix (+7.1%) and Walibi Rhône-Alpes (+ 9.1%). On the other hand, the voluntary reduction in the sale of discounted tickets in some markets had an automatically negative impact on the number of visitors, offset by an increase in spending per visitor. In total, and taking into account the integration of Familypark, the BU totaled 9.6 million visits during the year (+8.8%).

This increase in attendance did not adversely impact the very high level of satisfaction of visitors, which progressed last summer virtually across the board. The new attractions inaugurated this year are contributing to the development of park capacity and their success makes them more appealing. For example, Mystic at Walibi Rhône-Alpes, Untamed at Walibi Holland, and Attention Menhir at Parc Astérix all achieved satisfaction ratings greater than or equal to 9 out of 10.

Operation of the new sites has also started off very well. Familypark continued to grow compared to last year, which was already a record year (around 6% over the 6 months of integration). From the time it opened, the Bellewaerde Aquapark has achieved a level of activity that is in line with the Group's expectations. Lastly, the second Astérix hotel has also opened successfully and is contributing directly to the site's very good performance this year.

## HOLDINGS & SUPPORT

Holdings & Support sales amounted to €29.5 million, compared to €32.0 million for the same period last year. Consolidation of Travelfactory sales for the full 12-month period, compared to 9 months the prior year, only partially offset lower revenue from the consulting business.

Travelfactory's activity is progressing throughout the year, marked by the launch of the Travelski site in Belgium, the Netherlands and the United Kingdom

The consulting business saw its revenue fall compared to the previous year due to the planned end of the project management assistance contract with the Jardin d'Acclimatation, after the site reopened. This decline was not offset by other contracts, including those with the Jardin d'Acclimatation, as well as in China, including Taicang and Beidahu, Japan, and Uzbekistan.

## OUTLOOK

- Ski Areas

Given the good performance of the business and the efforts made by the Group to control expenses, the Group expects an EBITDA margin for Ski Areas of around 37% for the 2018/2019 financial year.

- Leisure Destinations

For the 2018/2019 financial year, the Group expects the Leisure Destinations EBITDA margin (excluding Futuroscope) to be at the top of the range of 27% to 28% guidance that was communicated to the market, thanks to strong growth in business for this BU and the positive contribution of FamilyPark, despite the dilutive impact of the Bellewaerde Aquapark, which only opened in early July, and the cost of launching the second hotel at Parc Astérix.

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Upcoming events:

| | |
|---|---|
| Annual results, FY 2018/2019: | Tuesday, December 10, 2019, before stock market opens |
| Q1 Sales, 2019/2020: | Thursday, January 23, 2020, after stock market closes |
| Q2 Sales, 2019/2020: | Thursday, April 23, 2020, after stock market closes |

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## ADDITIONAL INFORMATION

**Consolidated sales, October 1, 2018 through September 30, 2019**

| | Actual scope | | | Comparable scope | | |
|---|---|---|---|---|---|---|
| **(In thousands of euros)** | **FY 2018/2019** | **FY 2017/2018 Restated[2]** | **Change** | **FY 2018/2019** | **FY 2017/2018** | **Change** |
| **First quarter:** | | | | | | |
| Ski Areas | 54 608 | 46 831 | +16.6% | 54 608 | 46 831 | +16.6% |
| Leisure Destinations | 69 309 | 69 319 | +0.0% | 69 309 | 69 319 | +0.0% |
| Holdings & Support | 2 902[1] | 2 095 | +38.5% | 910[4] | 2 095 | -56.6%[4][5] |
| **Q1 Sales** | **126 819** | **118 245** | **+7.3%** | **124 827** | **118 245** | **+5.6%** |
| **Second quarter:** | | | | | | |
| Ski Areas | 330 052 | 322 021 | +2.5% | 330 052 | 322 021 | +2.5% |
| Leisure Destinations | 23 821 | 23 978 | -0.7% | 23 821 | 23 978 | -0.7% |
| Holdings & Support | 17 499 | 18 246 | -4.1% | 17 499 | 18 246 | -4.1% |
| **Q2 Sales** | **371 372** | **364 246** | **+2.0%** | **371 372** | **364 246** | **+2.0%** |
| **Third quarter:** | | | | | | |
| Ski Areas | 52 042 | 53 642 | -3.0% | 52 042 | 53 642 | -3.0% |
| Leisure Destinations | 117 404[3] | 104 330 | +12.5% | 111 074 | 104 330 | +6.5%[6] |
| Holdings & Support | 2 240 | 1 684 | +33.0% | 2 240 | 1 684 | +33.0% |
| **Q3 Sales** | **171 686** | **159 656** | **+7.5%** | **165 356** | **159 656** | **+3.6%** |
| **Fourth quarter:** | | | | | | |
| Ski Areas | 7 075 | 6 830 | +3.6% | 7 075 | 6 830 | +3.6% |
| Leisure Destinations | 170 179[3] | 142 300 | +19.6% | 159 588 | 142 300 | +12.1%[6] |
| Holdings et supports | 6 880 | 9 950 | -30.8% | 6 880 | 9 950 | -30.8% |
| **Q4 Sales** | **184 134** | **159 080** | **+15.7%** | **173 543** | **159 080** | **+9.1%** |
| **Annual total:** | | | | | | |
| Ski Areas | 443 777 | 429 324 | +3.4% | 443 777 | 429 324 | +3.4% |
| Leisure Destinations | 380 713[3] | 339 927 | +12.0% | 363 792 | 339 927 | +7.0%[6] |
| Holdings & Support | 29 521[1] | 31 975 | -7.7% | 27 529 | 31 975 | -13.9%[4][5] |
| **Sales 12 months** | **854 011** | **801 226** | **+6.6%** | **835 098** | **801 226** | **+4.2%** |

(1) *Including Travelfactory, consolidated as of January 1, 2018.*
(2) *Sales for 1st quarter 2017/2018 were adjusted to take into account the application of IFRS 15 and the redistribution over 4 quarters of a Futuroscope revenue adjustment that was made last year in the 4th quarter retrospectively for the entire financial year.*
(3) *Including Familypark, consolidated as of April 1, 2019.*
(4) *The change on a comparable scope basis is calculated by comparing sales for 1st quarter 2018/2019, from which Travelfactory has been removed, with restated sales for 1st quarter 2017/2018.*
(5) *A change in revenue recognition for the Group's existing online sales and real estate businesses was made effective as of January 1, 2018. Sales for 1st quarter 2017/2018 were not restated, however (margin accounting for 1st quarter 2018/2019 vs. sales volume for 1st quarter 2017/2018).*
(6) *The change on a comparable basis is calculated excluding Familypark from sales for the 3rd and 4th quarters of 2018/2019.*

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## Quarterly sales for Ski Areas 2017/2018 restated to reflect the application of IFRS 15

The application of IFRS 15 changes only Ski Area sales. This standard, applied effective October 1, 2018, has an impact on the accounting for season package sales recognition that results in a different allocation of these revenues over the year. The application of IFRS 15 only applies to quarterly revenue distribution and therefore has no impact on annual revenue.

To enable a meaningful comparison of quarterly revenues for 2018/2019 year with quarterly revenues for 2017/2018, the latter have been restated by applying IFRS 15.

| (In thousands of euros) | Q1 2017/2018 | Q2 2017/2018 | Q3 2017/2018 | Q4 2017/2018 | TOTAL 2017/2018 |
|---|---|---|---|---|---|
| Reported Ski Area Sales | 60 996 | 311 095 | 50 403 | 6 830 | 429 324 |
| **Ski Area Sales restated to reflect the impact of IFRS 15** | **46 831** | **322 021** | **53 642** | **6 830** | **429 324** |
| ***Difference*** | ***- 14 165*** | ***+ 10 926*** | ***+ 3 239*** | ***0*** | ***0*** |

## Quarterly sales for Leisure Destinations 2017/2018, restated to reflect the change in revenue recognition for Futuroscope that was applied in the 4th quarter of 2017/2018

At the end of financial year 2017/2018, the Group made reclassification entries that consisted of neutralizing Futuroscope revenue related to transfer costing of certain expenses (energy, sales commissions, and back margin) and neutralizing the corresponding expenses. This reclassification, neutral with respect to EBITDA, was done in 4th quarter 2017/2018 retrospectively for the entire 2017/2018 financial year. This method of accounting is now applied by the Group.

Accordingly, to facilitate comparison between quarterly sales for 2018/2019 and quarterly sales for 2017/2018, the latter have been restated by redistributing the impact of the reclassification that took place in 4th quarter 2017/2018 over all 4 quarters of the 2017/2018 financial year. This restatement is neutral with respect to total sales for the 2017/2018 financial year.

| (In thousands of euros) | Q1 2017/2018 | Q2 2017/2018 | Q3 2017/2018 | Q4 2017/2018 | TOTAL 2017/2018 |
|---|---|---|---|---|---|
| Reported Leisure Destination Sales | 70 091 | 23 728 | 104 830 | 141 278 | 339 927 |
| **Leisure Destination sales Restated to reflect the change in accounting method pertaining to Futuroscope** | 69 319 | 23 978 | 104 330 | 142 300 | 339 927 |
| ***Difference*** | *- 772* | *250* | *- 500* | *1 022* | *0* |

## Quarterly sales for TravelFactory in the Holdings and Support BU, 2017/2018

The company TravelFactory, which had been a client, was acquired by CDA on January 1, 2018.
Starting on January 1, 2018, CDA applied an IFRS compliant method of accounting for the sales of TravelFactory, based on whether it was an agent or a principal (margin or sales volume accounting). This method was refined and adjusted for the 2nd quarter of 2018, in particular with respect to sales concluded with other companies in the CdA group. This will have no impact on sales for the year.

| (In thousands of euros) | T1 2017/2018 | T2 2017/2018 | T3 2017/2018 | T4 2017/2018 | TOTAL 2017/2018 |
|---|---|---|---|---|---|
| Reported Holdings & Support Sales | 2 095 | 23 229 | 2 460 | 4 191 | 31 975 |
| **Holdings & Support sales, after adjusting sales for TO** | **2 095** | **18 246** | **1 684** | **9 950** | **31 975** |
| ***Difference*** | ***0*** | ***-4 983*** | ***-776*** | ***+5 759*** | *0* |

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