



Euro Attractions Show

Tuesday, January 30, 2007
11:45 - 13:00

Fun, Fun, Fun:
The Outlook for the Industry 2006 - 2010

Julie Clark
Jeff Bertus

Euro Attractions Show
January 30 - February 1, 2007
Fibes
Seville Spain

Euro Attractions Show

“Fun, Fun, Fun: The Outlook for the Industry 2006-2010”



Julie Clark, PricewaterhouseCoopers
30th January 2007

Agenda

- Theme park revenue forecasts:
 - How good have they been?
 - Drivers of market growth
 - The changing consumer
 - Spend patterns
- Forecasts 2006 – 2010:
 - EMEA v US
 - Spain
 - Germany
- What does this mean for the future?

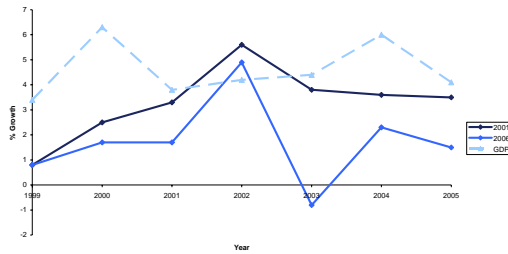
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Theme park revenue forecasts: how good are they?

- Seven years of theme park attendance and revenue forecasts
- A proprietary model by Wilkofsky and Gruen, tested and challenged by PwC sector specialists
- The underlying market drivers....economic, travel, demographic, behavioural and supply....are key
- Unpredictable one off events (eg 9/11) affect the results

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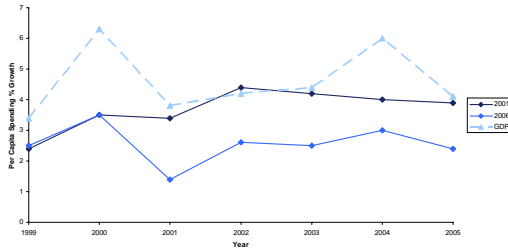
EMEA attendance growth has been lower than forecast in 2001



Source: PricewaterhouseCoopers LLP, US Census Bureau International Database, Wilkofsky Gruen Associates

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But spend per capita has matched the forecast more closely, despite the impact of 9/11 and resulting economic slowdown



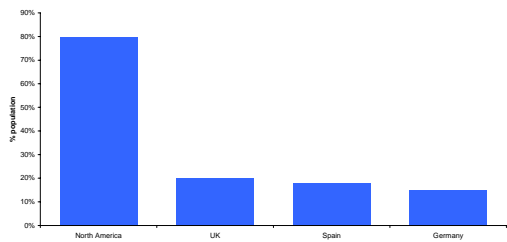
Source: PricewaterhouseCoopers LLP, US Census Bureau International Database, Wilkofsky Gruen Associates

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The consumer starting point is very different in US and across EMEA



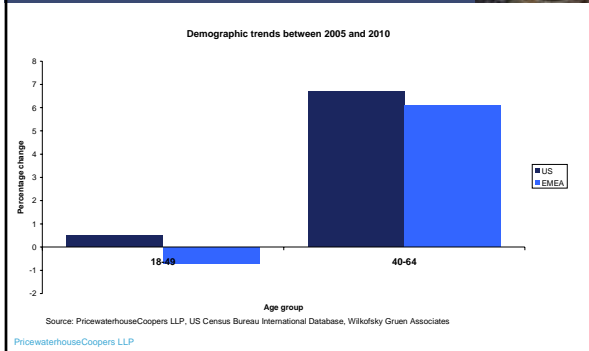
Theme park penetration



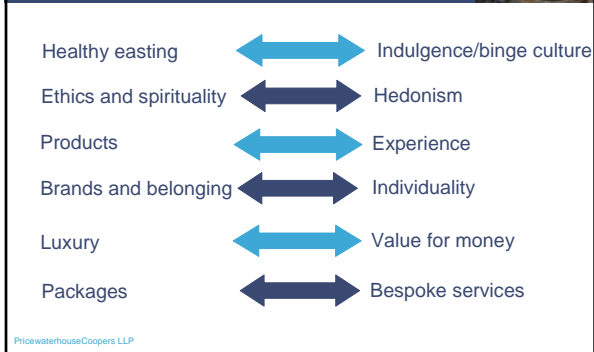
Source: ERA, Deloitte

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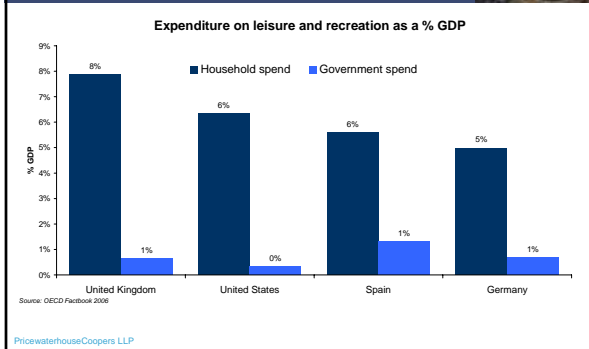
The consumer is getting older



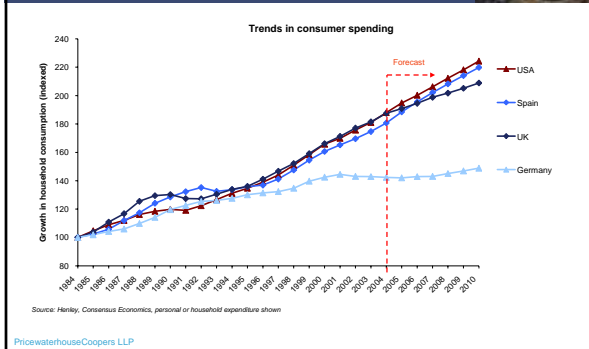
The consumer is more complex



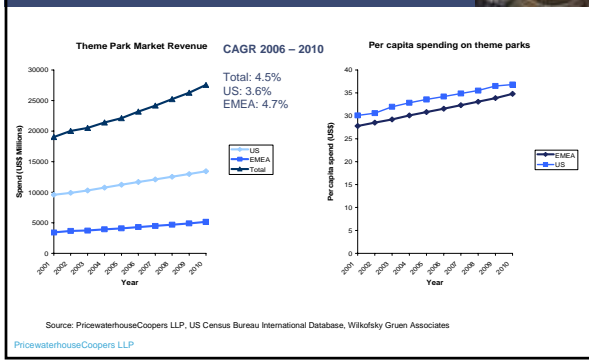
Leisure spending patterns also differ across Europe



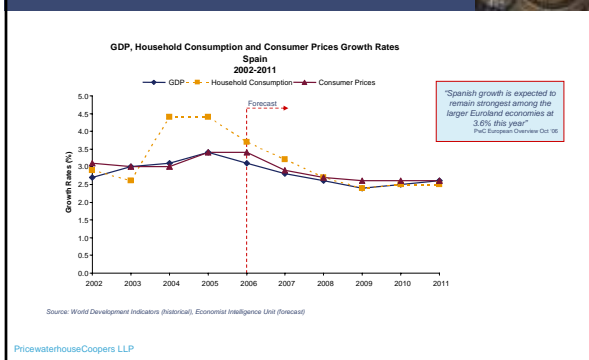
Consumer spending is forecast to show significant growth



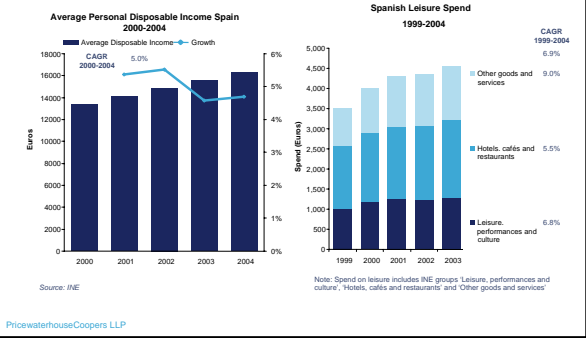
The US market remains the largest, but per capita spend is comparable



Macro-economic conditions in Spain have been highly favourable in recent years

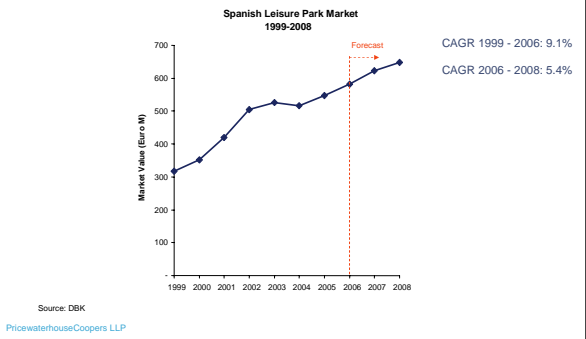


Spanish disposable income has grown at 5%p.a. since 2000 and spend on leisure activities has grown ahead of this at 6.9%p.a



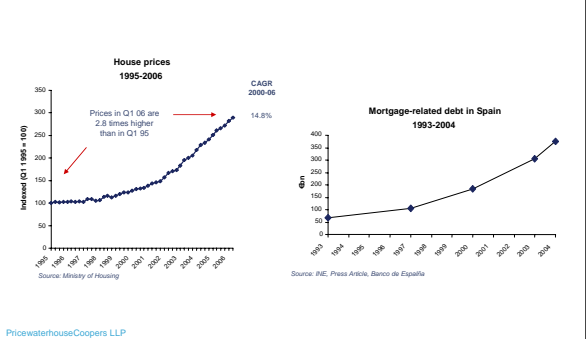
Source: INE
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The Spanish leisure park market has seen strong growth, due to the opening of new attractions



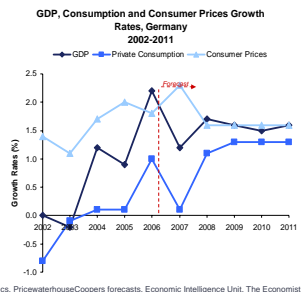
Source: DBK
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But there are some key risks in the Spanish market



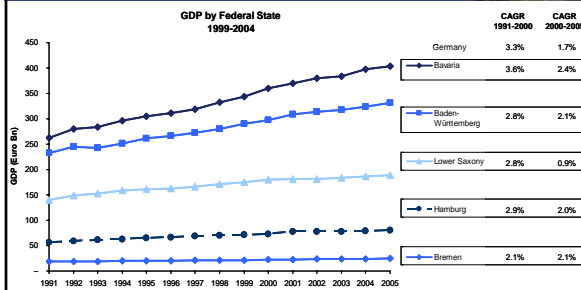
Source: Ministry of Housing
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German macro-economic outlook is stronger after a few difficult years



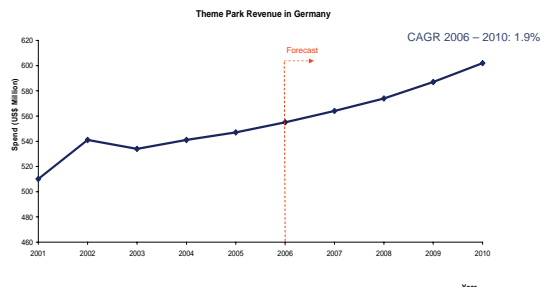
Source: Consensus Economics, PricewaterhouseCoopers forecasts, Economic Intelligence Unit, The Economist

But country wide data masks considerable differences



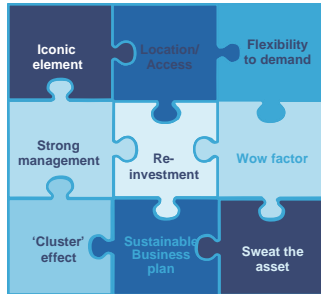
Source: Federal Statistics Office Germany

Revenues to German theme parks continue to grow modestly



Source: Source: PricewaterhouseCoopers LLP, US Census Bureau International Database, Wikofsky Gruen Associates

What does this mean for a successful leisure business in EMEA?



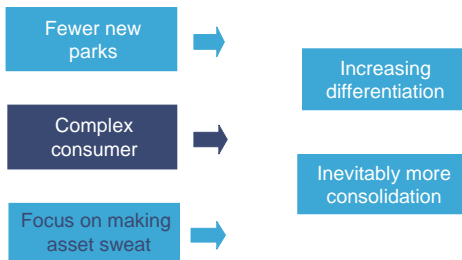
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Future Challenges

Challenges	Possible impacts on theme parks
Terrorism	Could see more visitors at regional parks
Global health pandemic/ decline in travel	Increased use of regional parks
Regulations/ Health and Safety Issues	Developing compensation culture/strong expertise required
Sophisticated home-based entertainment	Focus on creating "wow" factors and people interaction
Limited leisure hours	Increasing demands on people's time
Price of travel	Could see more visitors at regional parks
Climate Change	Extreme weather conditions may reduce park visits, but design can counter the impact
Fixed costs	Likely to increase

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In summary



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