

CASE STUDY: PortAventura A European leader in the leisure and entertainment industry



“After the successful experience with the largest Italian theme park Gardaland, it is of great pleasure for me to continue working with Investindustrial on PortAventura. After five years of cooperation with Investindustrial, PortAventura has been transformed from a theme park into Europe’s third largest integrated destination resort. A strong repositioning plan has been implemented based on strengthening the product offering, implementing a more accurate commercial strategy and optimising the cost base. The company is today on the right path to meet its long term value creation plan”.

Sergio Feder,
President of the Executive Committee
PortAventura



PortAventura 2014 EBITDA Margin

▶ 44.7%

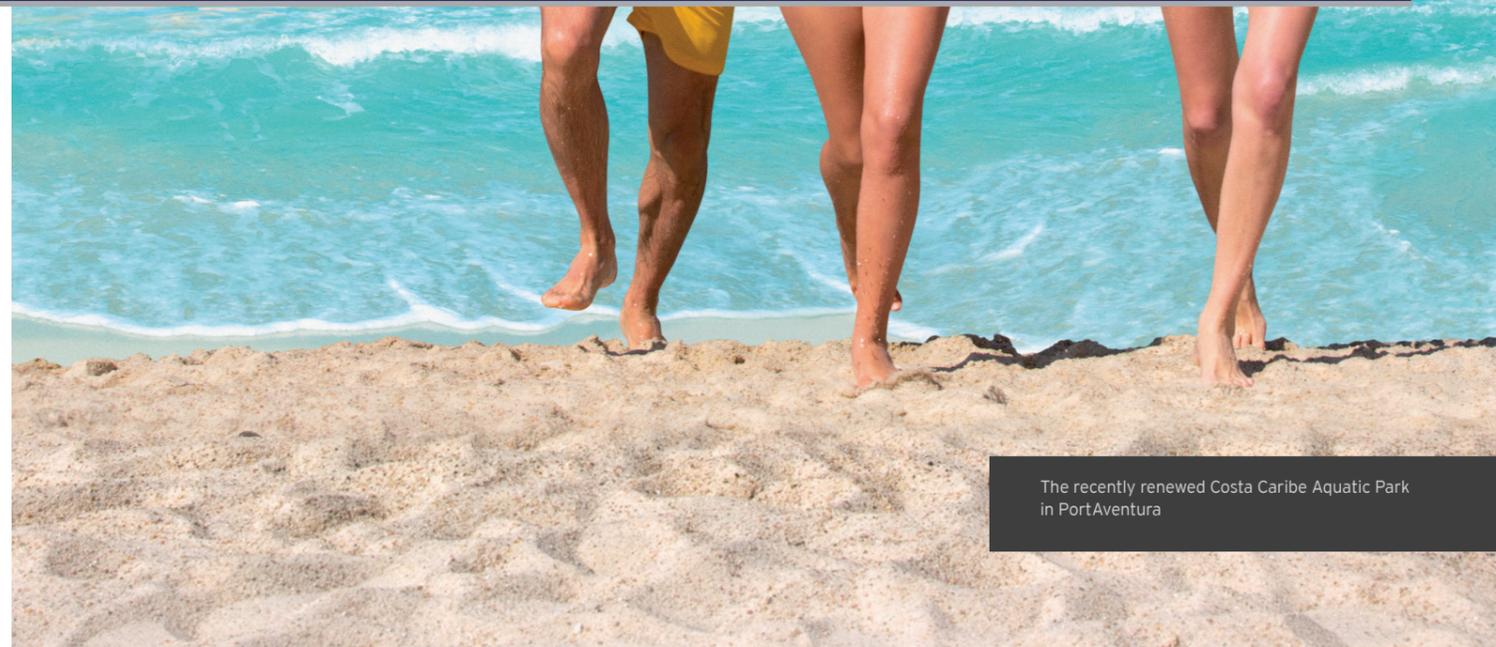
Developments since entry:

Sales growth	36%
EBITDA growth	134%
EBITDA Margin growth	72%

Building on the successful previous investment in Italian theme park operator Gardaland, Investindustrial acquired PortAventura in 2009.

PortAventura (www.portaventura.com), established in 1995, is the largest Southern European theme park and second largest in Europe. The site comprises an amusement park with 40 rides, over 100 daily shows, 43 shops and arcades, a water park, four hotels with over 2,000 rooms and a 4,000 person convention and conferencing centre. PortAventura is located in the north-eastern coastal area of Spain (Costa Dorada), by the tourist resort of Salou and is less than one hour from Barcelona. The area is a major tourist destination which attracts visitors from across Europe. The park attracts more than 3.7 million local and international visits each year.

The acquisition was made possible through the close relationship with La Caixa, the largest savings bank in Europe, and its majority-owned investment company Criteria Caixa Corp. Since Investindustrial’s entry, PortAventura has performed well despite a very difficult economic environment. The company’s positive performance is a result of the industrially-driven approach of Investindustrial and the introduction of a proven management team from Gardaland led by Sergio Feder. The key drivers of the outperformance to date are the successfully repositioned commercial strategy, improvements in the park offerings of shops and food, the addition of a new kids area and the tallest rollercoaster in Europe, the launch of an aquatic park and an efficiency programme that has significantly increased the profitability. In 2014, Investindustrial further developed the relationship with KKR, after carefully selecting the firm as a 49.9% partner in PortAventura to help take it to the next exciting level.



The recently renewed Costa Caribe Aquatic Park in PortAventura

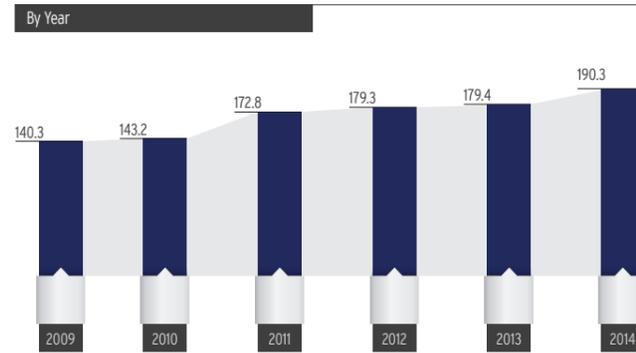
▶ A successful development strategy

Since Investindustrial's entry at the end of 2009, PortAventura has performed strongly: EBITDA has more than doubled increasing to €85 million with a margin of 45% and the number of visitors has increased by 15% as a result of new park offerings and a relaunched commercial strategy. The management of the company has focused on the following areas over the past years:

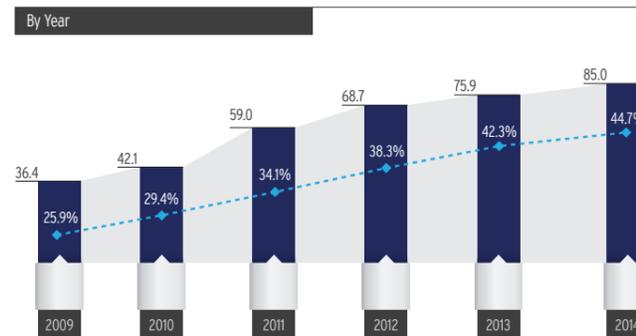
New park offerings: The new kids area, SesamoAventura, and the new rollercoaster, Shambhala, which opened in the last three years, have continued to attract both repeat and new visitors throughout 2014. In 2013, PortAventura opened the doors to its refurbished attraction, the Costa Caribe Aquatic Park. The water park is set in more than 50,000 square meters of grounds and offers an extensive range of attractions to cater for the whole family. The latest attraction is the AngKhor Boat ride, inspired by the famous Asian temple, represents the longest circuit of its type in Europe.

Commercial strategy: In recent years, supported by the new kids area and the new rollercoaster, the company has refocused its marketing strategy to concentrate on traditional values, entertainment and family. As a result, it has been able to reverse the negative trend in visits prior to Investindustrial's entry, achieving a substantial increase in visitors from abroad. In the hotels business, the company has worked very closely with major tour operators both in Spain and internationally to develop a cohesive marketing strategy to increase hotel bookings since 2009. PortAventura is investing significantly to further diversify its customer base and to attract new customers especially from the growing Russian and Chinese markets. In addition the implementation of a new website and booking engine and the introduction of call centre best practices, have significantly increased direct bookings from €2 million in 2009 to €23 million in 2014.

Sales (€m)



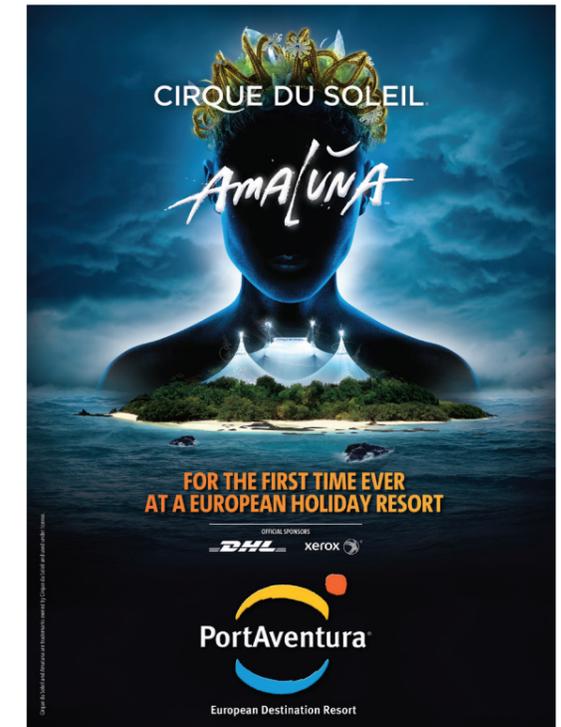
EBITDA (€m) and Margin (%)



From left: Gianfranco Bollini (Shows Director), Sergio Feder (President), Giovanni Modena (Park Operations Director), and Fernando Aldecoa (Head of Finance and Operations)

▶ Brand partnerships with Ferrari and Cirque du Soleil

PortAventura is continuing to strengthen its position in the premium tourism segment by increasing the international image and branding of the park. In the first quarter of 2014, PortAventura reached a licensing agreement with Ferrari to establish "Ferrari Land", a new theme park dedicated to the global brand of Ferrari within the PortAventura destination resort. The new branded site will be the sole Ferrari theme park in Europe and is expected to open during 2016. Ferrari Land will benefit from several rides (including the highest and fastest vertical accelerator in Europe), a new premium hotel with 250 rooms and 5 star service, restaurants, large simulation areas for car racing and shops. During the summer of 2014 the Cirque du Soleil's Kooza show was inaugurated at PortAventura. Since the successful debut, the company has decided to renew the agreement for the next five years with Cirque du Soleil and will now benefit from Cirque du Soleil shows in Spain over the summer months.



In the summer 2015 Cirque du Soleil celebrates PortAventura's 20th Anniversary with the new show Amaluna



Ferrari Land is the new Ferrari theme park expected for 2016 within the PortAventura destination resort