PRESS RELEASE

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DXB ENTERTAINMENTS P.J.S.C.

Announces First Quarter 2017 Financial Results

Financial Highlights

	31 Mar 2017 (AED m)	31 Mar 2016 (AED m)
Property and equipment, investment properties, inventories, and other non-cash, non-financial assets	10,324	10,289
Cash and other financial assets	2,217	2,525
Total assets	**12,541**	**12,814**
Revenue	160	-
Loss for the period	(292)	(38)

Operational Highlights

- 586,355 visits during the first quarter
- Lapita™ Hotel Dubai occupancy ramping up
- Announced plans to add the Middle East's first LEGOLAND® Hotel
- 20% operational cost reduction on track

Raed Kajoor Al Nuaimi, Chief Executive Officer, DXB Entertainments PJSC, said, "The first quarter's financial and operational results reflect the early stages of Dubai Parks and Resort's operational ramp-up. Having launched Dubai Parks and Resorts on a phased basis during the fourth quarter of last year, we are now building on the launch and working towards full operational status. During the first fourth months of the year we have successfully delivered almost all rides and attractions across the destination and are close to delivering the last remaining rides during the second quarter of this year.

"We are also well advanced in our sales and marketing plans and are actively generating demand for Dubai Parks and Resorts both internationally and domestically. We

recently hired David Loiseau as Senior Vice President of Sales and Marketing to spearhead these efforts. David brings over three decades of sales and marketing experience here in Dubai as well as internationally.

"Dubai Parks and Resorts is the region's leading theme park resort destination and with Dubai continuing to attract a growing number of tourists, it is ideally positioned to generate value from Dubai's increasingly significant position as a global tourist hub. According to the DTCM, tourist numbers were up by 11% to 4.57 million during the first quarter compared to the same period last year and the city is experiencing a large increase in Chinese and Russian tourists following the UAE's decision to grant visas on arrival to citizens of these countries.

"We reported AED 160 million in total revenue for the first quarter of the year. We are happy to have received over 586 thousand visits to the destination, despite the rainfall experienced throughout most of February. The GCC school holidays positively contributed to our visitor numbers during the quarter, supporting our business strategy to target family tourism in the region. We expect our visitor numbers to stabilise by the fourth quarter of 2017, as we gain further traction with global tour and travel operators.

"AED 125 million of our total revenue was generated through the theme parks, implying a AED 214 revenue per cap for the theme parks. As at 31 March 2017, we had leased out 51 units at Riverland™ Dubai, representing 84% of the available leasable space, and AED 14.4 million of our total revenue was driven by leasing and non-leasing revenue generated in Riverland Dubai. The Lapita Hotel which opened its door to the paying public on the 2nd January this year, has been ramping up its occupancy levels during the quarter, reaching its highest occupancy levels in the last week of March on the back of school holidays. The hotel contributed AED 10.4 million of the total revenue, and had an average occupancy rate of 21% and average daily rate of AED 795 during the quarter.

"As at 31 March 2017, our total assets stood at AED 12.5 billion, primarily comprising AED 10.3 billion in property and equipment, investment properties, inventories, advances and other receivables. At the end of March, we had drawn down 3.8 billion of our AED 4.2 billion financing facility for Phase I of Dubai Parks and Resorts.

"Our loss for the first quarter of 2017 was AED 292 million compared to a loss of AED 38 million for the same period last year, and reflects the normal trajectory of a business in its early phase of development as well as AED 71 million in pre-operating expenses. Excluding the pre-operating expenses and the AED 7 million in interest income from Six Flags Dubai, implies that our loss for the period would have been AED 228 million. A key strategic imperative for the business for the year is to reduce our operational cost base by 20% compared to the initial projections. We are well on track to meet this target by year end, having implemented a wide range of cost efficiency programmes.

"Construction on the Six Flags theme park is progressing per plan and we expect to start drawing down on the available finance facility for the project towards the end of this year. As at the end of the quarter we had signed 7 ride agreements, and close to 90% of the design works completed.

"During the quarter, we continued to progress our growth plans based on many firsts for the region. In partnership with Merlin Entertainments, one of the world's leading theme park and attraction operators, we announced plans for the Middle East's first LEGOLAND® Hotel. The hotel will become the world's seventh LEGOLAND® Hotel upon opening and will offer families an immersive experience in the creative world of LEGO®. This will be our second hotel within Dubai Parks and Resorts, and will offer a convenient base for families to stay and enjoy our amazing entertainment, all within walking distance of LEGOLAND® Dubai, as well as Bollywood Parks™ Dubai, MOTIONGATE™ Dubai and Riverland™ Dubai. The 250-room hotel, a 60:40 joint venture between DXB Entertainments. and Merlin Entertainments, will be operated by Merlin Entertainments once opened.

"Post period, we announced plans of how we intend to grow our own hotel brand, Lapita™, in the region. As part of our strategy to deliver long term shareholder value, we are aiming to secure management contracts with trusted partners to facilitate the expansion plan of the Lapita™ brand. We will establish the brand locally, then regionally before assessing any global opportunities. We will link the Lapita™ brand to theme parks and entertainment destinations to ensure strong demand."

"Looking ahead, the coming two quarters we expect to experience a dip in attendance as we will go through Ramadan and the summer months. We have announced a summer strategy that seeks to address this, and effective 21 May we will operate later hours, offer attractive packages, and provide air-conditioned tram transportation through Riverland™ Dubai to transport guests directly to the front gates of the parks. This will be accompanied by misting fans placed strategically throughout the destination.

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DXB Entertainments PJSC (previously Dubai Parks and Resorts PJSC) is a Dubai-based provider of leisure and entertainment destinations and experiences. The Company is traded on the Dubai Financial Market (DFM) under the trading symbol DXBE. We bring together a diverse portfolio of world-class brands to offer pioneering entertainment in the areas of theme parks, retail and hospitality as well as leisure attractions.

Launched in 2014, DXB Entertainments owns and operates Dubai Parks and Resorts, the largest theme park destination in the Middle East. Spanning 30.6 million square feet of land, the AED 13.2 billion destination consists of four theme parks (Six Flags coming in 2019) in one location.

For us, fun means business. With a market cap of AED 10.4 billion as of 31 December 2016, DXB Entertainments is set to become an industry-leading provider and producer of innovative and inspirational entertainment experiences in the Middle East and beyond.

For more information, go to: www.dxbentertainments.com

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