

Merlin Entertainments

07:46 16 Oct 2018

Merlin Entertainments like-for-like revenue grows, expects to meet 2018 outlook

Merlin Entertainments PLC (LON:MERL) on Tuesday reported growth in group revenue on a year-to-date basis, and the theme park operator said it is on course to meet its 2018 outlook.

The FTSE 250-listed company said group organic revenue increased 4.7%, driven by the opening of six new Midway attractions and the opening of a record 644 rooms. Like-for-like revenue rose 1.4%.

READ: UBS turns cautious on Merlin amid review score decline and Midway uncertainty

Demand by customers for themed-accommodation and short breaks was behind a 27.7% increase in accommodation revenue, said Merlin.

Nick Varney, Merlin Entertainments Chief Executive Officer, said: "Group trading has been in line with expectations, with variances by Operating Group reflecting the diversified nature of the portfolio."

As part of its trading update, Merlin said favourable weather and product investment supported a 9% rise in organic revenue growth at Resort Theme Parks.

While overall trading has met its expectations, Merlin noted that a number of key trading weeks are coming up, including the Halloween and Christmas periods.

Merlin, whose properties include the Alton Towers theme park, added that the impact of terror attacks, which hurt its business from early 2017, "has started to abate" and that it has seen early signs of recovery in the London tourism market over the summer.

"The cost environment remains challenging, with tighter labour markets in many parts of the world adding to the pressures resulting from legislative changes such as the National Living Wage in the UK," said Merlin. "Our Productivity Agenda remains a key area of focus, and it is testament to our teams that, despite these cost pressures, we have continued to deliver excellent levels of guest satisfaction overall."

Merlin said it's "pleased" with early feedback from guests about its two new Midway brands - The Bear Grylls Adventure in Birmingham and Peppa Pig World of Play in Shanghai - but it is too early to comment on their commercial success.

"Reflecting the trends experienced to date, Merlin anticipates reporting 2018 results in line with market expectations," it said.

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private

1 Year Share Price Graph



Share Information

Code: MERL

Listing: AIM

Sector: Leisure, gaming and gambling

Website: www.merlinentertainments.biz

Company Synopsis:

Merlin Entertainments Group casts its spell on tourists looking for amusement. The company is a leading operator of amusement parks and other entertainment venues with a total of more than 85 attractions in nearly 20 countries. It runs the LEGOLAND chain of theme parks with five locations in Europe and the US, along with the well-known Madame Tussauds wax museums.

action@proactiveinvestors.com

investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.