

Tivoli A/S – Interim Report for the period 1 January – 30 June 2019**Stock Exchange no. 8**

The Supervisory Board of Tivoli A/S has considered and adopted the Interim Report for the period 1 January – 30 June 2019.

Results for the period 1 January – 30 June 2019 in outline:

- Net revenue: DKK 400.3 million compared to 403.4 million last year (-1%)
- EBITDA: DKK 13.9 million compared to DKK 14.3 million last year (-3%)
- EBIT: DKK -36.7 million compared to DKK -31.3 million last year (-17%)
- Profit before tax: DKK -42.8 million compared to DKK -36.8 million last year (-16%)
- Profit after tax: DKK -33.4 million compared to DKK -28.7 million last year (-16%)
- Number of guests is 1,518,000 compared to 1,784,000 last year (-15%)

“The revenue in the first half of 2019 has been on the same level as last year in spite of 12 fewer opening days and fewer guests in the halls, where the musical “Midt om Natten” gathered full houses in 2018. The positive development is caused by an increase in consumption per guest and an increased level of activity at Nimb”, says CFO, Andreas Morthorst.

Outlook for 2019 (unchanged)

In 2019, revenue is still expected to be in line with 2018 and a profit before tax and after extraordinary items in the level of DKK 220 million against DKK 121 million before tax. The profit has been positively affected by the partnership agreement with Danske Spil cf. mention in the stock exchange announcement of 9 May 2019. The weather and other external events may have influence on Tivoli’s core business and therefore the development of the result of the year.

Best regards

Tom Knutzen
Chairman

Lars Liebst
CEO





TIVOLI INTERIM REPORT FOR THE PERIOD 1 JANUARY – 30 JUNE 2019

TIVOLI A/S VAT NO. 10404916

FINANCIAL DATA	2019 Q2	2018 Q2	2019 1/1 -30/6	2018 1/1 -30/6	2018 1/1 - 31/12	2019 Last 12 mth.	2018 Last 12 mth.
DKK million							
Revenu incl. Tenants and lessees	407.8	409.4	548.2	569.1	1,508.0	1,487.1	1,418.0
Revenue	290.3	285.5	400.3	403.4	1,058.8	1,055.7	1,011.3
Expenses before depreciation, amortisation and impairment	-228.5	-230.4	-386.4	-389.1	-836.7	-834.0	-800.5
Earnings before interest, tax, depreciation and amortisation (EBITDA)	61.8	55.1	13.9	14.3	222.1	221.7	210.8
Depreciation, amortisation and impairment	-25.2	-23.4	-50.6	-45.6	-91.0	-96.0	-88.0
Earnings before interest and tax (EBIT)	36.6	31.7	-36.7	-31.3	131.1	125.7	122.8
Net financials	-3.1	-2.7	-6.1	-5.5	-10.5	-11.1	-7.7
Profit before tax	33.5	29.0	-42.8	-36.8	120.6	114.6	115.1
Profit for the year	26.1	22.6	-33.4	-28.7	94.2	89.5	89.9
Comprehensive income for the year	17.5	19.8	-50.8	-29.1	93.3	71.6	85.2
Non-current assets			1,501.3	1,368.6	1,423.7	1,501.3	1,368.6
Current assets			119.9	98.6	181.3	119.9	98.6
Total assets			1,621.2	1,467.2	1,605.0	1,621.2	1,467.2
Share capital			57.2	57.2	57.2	57.2	57.2
Equity			846.0	798.0	920.4	846.0	798.0
Non-current liabilities			408.7	401.0	399.5	408.7	401.0
Current liabilities			366.5	268.2	285.1	366.5	268.2
Invested capital			1,327.7	1,241.8	1,238.8	1,324.8	1,302.3
Investment in property, plant and equipment			77.7	77.8	131.8	131.7	197.2
Cash flows from operating activities			11.7	-12.9	184.5	209.1	216.8
Cash flows from investing activities			-97.7	-77.8	-179.1	-199.0	-210.9
Hereof invested in property, plant and equipment			-77.7	-77.8	-131.8	-131.7	-197.2
Cash flows from financing activities			23.2	-30.7	-43.4	10.5	-22.8
Total cash flows			-62.8	-121.4	-38.0	-111.2	-214.1
FIVE YEARS' RATIOS							
					2018 1/1 - 31/12	2019 Last 12 mth.	2018 Last 12 mth.
EBIT margin					12%	12%	12%
Solvency ratio					57%	52%	54%
Return on equity (ROE)					11%	11%	11%
Earnings in DKK, per share of DKK 10 (EPS)					16.5	15.7	15.7
Dividend in DKK, per share of DKK 10					4.1	4.1	3.4
Share price in DKK, end of year					632	684	660
Number of employees					960	962	934

1) See definitions in the Annual Report 2018.

Management review

Development in activities and financial performance

Revenue for the period 1 January – 30 June 2019 amounted to DKK 400,3 million compared to DKK 403.4 million (-1%) for the same period last year. The revenue in the first half of 2019 has been on the same level as last year in spite of 12 fewer opening days and fewer guests in the halls, where the musical “Midt om Natten” gathered full houses in 2018. The positive development is caused by an increased spend per guest and an increased activity level at Nimb.

Expenses for the period 1 January – 30 June 2019 amounted to DKK 386.4 million compared to DKK 389.1 million last year (-1%). The decrease is caused by a larger investment in the new season, Winter in Tivoli, where the entire Garden was open as well as restructuring cost.

The financial items for the period 1 January - 30 June 2019 amounted to a total cost of DKK 6.1 million compared to a cost of DKK 5.5 million last year. The increase is primarily due to the implementation of IFRS 16 regarding leasing.

Profit before tax for the period 1 January – 30 June 2019 amounted to DKK -42.8 million compared to DKK -36.8 million for the same period last year, which is DKK 6.0 million lower than last year. Adjusted for special items (restructuring costs) the profit before tax is DKK 3.0 million lower than last year. The profit after tax for the period amounted to DKK -33.4 million. The result is in line with the expectations.

Cash flow from operating activities amounted to DKK 11.7 million for the period 1 January – 30 June 2019 compared to DKK -12.9 million in the same period last year, which is due to period shifts of pre-sales, which have a positive impact on working capital.

Cash flow from investing activities amounted to DKK -97.7 million for the period 1 January – 30 June 2019 compared to DKK -77.8 million in the same period last year. The investing activity in the first quarter is impacted by new rides, e.g. a new Bumper Car ride, the new rollercoaster: The Milky Way and investment in the new season, Winter in Tivoli, renovation projects and digitalization projects in the Gardens.

Total assets amounted to DKK 1,621.2 million per 30 June 2019 compared to DKK 1,605.0 million per 31 December 2018. The increase is caused by the investments in the first half year of 2019, as mentioned above, and the implementation of IFRS 16.

Equity amounted to DKK 846.0 million per 30 June 2019 compared to DKK 920.4 million per 31 December 2018. The comprehensive income for the period amounts to DKK -50.8 million compared to DKK -29.1 million per 30 June 2018 and consists of the result for the period of DKK -33.4 million and other comprehensive income of DKK -17.4 million (fair value adjustments of financial instruments).

Divestment of Tivoli Casino

At the 9th of May 2019 it was announced that Tivoli A/S and Danske Spil have made an agreement regarding the online casino site TivoliCasino.dk. The online casino operation will be transferred to Danske Spil as of 1 September 2019. The agreement consists of a payment for the assets related to TivoliCasino.dk, as well as an integrated part where Tivoli over the next 10 years will receive royalties from Danske Spil for the use of the brand TivoliCasino.dk.

TivoliCasino.dk is part of the Games and Casino segment. In 2018 TivoliCasino.dk amounted to approx. 65% of the revenue and approx. 88% of the profit before depreciation and write-downs in the segment. Total assets for TivoliCasino.dk amounted to approx. DKK 10 million.

Outlook for 2019 (unchanged)

Revenue for 2019 is still expected at the same level as in 2018 and a profit before tax and after extraordinary items is expected to be in the level of DKK 220 million compared to DKK 121 million before tax in 2018. The profit has been positively affected by the partnership agreement with Danske Spil cf. mention in the stock exchange announcement of 9 May 2019 (also as mentioned above). The weather and other external events may have influence on Tivoli's core business and therefore the development of the result of the year.

Subsequent events

No material events have occurred after the balance sheet date.

INCOME STATEMENT 1 JANUARY - 30 JUNE	2019 Q2	2018 Q2	2019 1/1 -30/6	2018 1/1 -30/6	2018 1/1 - 31/12
DKK million					
Net revenue	290.3	285.5	400.3	403.4	1,058.8
Revenue	290.3	285.5	400.3	403.4	1,058.8
Other external expenses	-100.7	-112.6	-176.4	-190.7	-368.5
Staff expenses	-127.8	-117.8	-210.0	-198.4	-468.2
Expenses	-228.5	-230.4	-386.4	-389.1	-836.7
EBITDA	61.8	55.1	13.9	14.3	222.1
Depreciation, amortisation and impairment	-25.2	-23.4	-50.6	-45.6	-91.0
EBIT	36.6	31.7	-36.7	-31.3	131.1
Financial income	0.2	0.2	0.4	0.3	1.1
Financial expenses	-3.3	-2.9	-6.5	-5.8	-11.6
Profit before tax	33.5	29.0	-42.8	-36.8	120.6
Tax on profit for the year	-7.4	-6.4	9.4	8.1	-26.4
Net profit	26.1	22.6	-33.4	-28.7	94.2
Earnings in DKK, per share of DKK 10 (EPS)	4.6	4.0	-5.8	-5.0	16.5
STATEMENT OF COMPREHENSIVE INCOME	2019 Q2	2018 Q2	2019 1/1 -30/6	2018 1/1 -30/6	2018 1/1 - 31/12
Profit for the year	26.1	22.6	-33.4	-28.7	94.2
Items subsequently recycled to income statement					
Value adjustments: Value adjustment hedging instruments	-11.0	-3.6	-22.3	-0.5	-1.0
Other adjustments: Tax on value adjustments hedging instruments	2.4	0.8	4.9	0.1	0.1
Total comprehensive income	17.5	19.8	-50.8	-29.1	93.3

CASH FLOW STATEMENT - 1 JANUARY - 30 JUNE	2019	2018	2018
	1/1 -30/6	1/1 -30/6	1/1 - 31/12
DKK million			
EBITDA	13.9	14.3	222.1
Change in working capital	3.9	-21.7	-27.4
Cash flows from operating activities before financial income and expenses	17.8	-7.4	194.7
Financial income	0.4	0.3	1.1
Financial expenses	-6.5	-5.8	-11.6
Corporation tax paid	0.0	0.0	0.3
Cash flows from operating activities	11.7	-12.9	184.5
Purchase of subsidiary and associated company	0.0	0.0	-16.5
Purchase of property, plant and equipment	-97.7	-77.8	-162.6
Cash flows from investing activities	-97.7	-77.8	-179.1
Repayment of mortgage loans	-11.4	-11.1	-5.3
Repayment of mortgage loans	0.0	0.0	-18.5
Repayment of rent and lease loans	-1.8	0.0	0.0
Raising / repayment of loan from associated company	60.0	0.0	0.0
Shareholders: Dividend distributed	-23.6	-19.6	-19.6
Cash flows from financing activities	23.2	-30.7	-43.4
Cash flows for the year	-62.8	-121.4	-38.0
Cash and cash equivalents, beginning of year	92.3	130.3	130.3
Cash and cash equivalents, end of year	29.5	8.9	92.3

BALANCE SHEET AT 30 JUNE	2019 30/6	2018 30/6	2018 31/12
DKK million			
ASSETS			
Intangible assets	43.4	23.8	43.5
Property, plant and equipment	1,441.4	1,344.8	1,363.7
Investment in associated company	16.5	-	16.5
Total non-current assets	1,501.3	1,368.6	1,423.7
Finished goods	12.2	11.2	12.3
Trade receivables	41.1	29.0	41.6
Other current assets	37.1	49.5	35.1
Cash at bank and in hand	29.5	8.9	92.3
Total current assets	119.9	98.6	181.3
Total assets	1,621.2	1,467.2	1,605.0
LIABILITIES AND EQUITY			
Share capital	57.2	57.2	57.2
Reserves	788.8	740.8	839.6
Proposed dividend	-	-	23.6
Total non-current liabilities	846.0	798.0	920.4
Mortgage loans	350.0	372.9	361.6
Other long term debt	20.8	-	-
Deferred tax liabilities	37.9	28.1	37.9
Langfristede forpligtelser i alt	408.7	401.0	399.5
Mortgage loans	22.8	23.9	22.6
Loan from associated company	60.0	-	-
Other payables	283.7	244.3	262.5
Total current liabilities	366.5	268.2	285.1
Total liabilities and equity	1,621.2	1,467.2	1,605.0

STATEMENT OF NET CAPITAL

DKK million

		RESERVES			
	Share capital	Hedge transactions	Retained earnings	Proposed dividend	Total
Equity at 1 January 2018	57.2	-19.3	789.2	19.6	846.7
<i>Changes in equity</i>					
Profit for the period	0.0	0.0	-28.7	0.0	-28.7
Value adjustment hedging instruments	0.0	-0.5	0.0	0.0	-0.5
Tax on value adjustments hedging instruments	0.0	0.1	0.0	0.0	0.1
	0.0	0.0	0.0	0.0	0.0
Total comprehensive income for the period	0.0	-0.4	-28.7	0.0	-29.1
Proposed dividend	0.0	0.0	0.0	-19.6	-19.6
Equity at 30 June 2018	57.2	-19.7	760.5	0.0	798.0
Equity at 1 January 2019	57.2	-20.2	859.8	23.6	920.4
<i>Changes in equity</i>					
Profit for the period	0.0	0.0	-33.4	0.0	-33.4
Value adjustment hedging instruments	0.0	-22.3	0.0	0.0	-22.3
Tax on value adjustments hedging instruments	0.0	4.9	0.0	0.0	4.9
Total comprehensive income for the period	0.0	-17.4	-33.4	0.0	-50.8
Proposed dividend	0.0	0.0	0.0	-23.6	-23.6
Equity at 30 June 2019	57.2	-37.6	826.4	0.0	846.0

Segment reporting



Tivoli's management responsibility is divided into 11 principal activities. Six of the activities generate revenue whereas the remaining five represent administrative functions related to IT, Finances, Marketing, HR and the operation and maintenance of the Garden. Only the first six activities are considered liable to report, cf. IFRS 8.

Expenses for administrative functions as well as operation and maintenance of the Garden are not allocated to the other main areas. Expenses for the Garden orchestras, Friday Rock, performances at the Pantomime Theatre and other events in the Garden, are allocated to Culture. Earnings from entrance fees are allocated to Sales. Culture does not receive any share of entrance fees and is a loss-making segment viewed separately, whereas earnings are very high in Sales. Food & beverage operates Tivoli's own eateries, while High-End operates the Nimb house, Gemyse and Cakenhagen. Income derived from leased restaurant is reported in tenants and leases.

Depreciation, amortisation and financial expenses are not allocated to the main areas. Therefore, "Earnings before interest, tax, depreciation and amortisation" has been chosen as a performance measure in the segment reporting. Similarly, the balance sheet has not been broken down into main areas; therefore, total assets by main area are not presented.

SEGMENT REPORTING 30 JUNE 2019	Games & Casino	Food & beverage	High-End	Enterprise Rental	Sales	Culture	Total	Not allocated	Total
Revenue	31.6	50.3	75.9	31.0	171.8	26.2	386.8	13.5	400.3
Total revenue	31.6	50.3	75.9	30.9	171.8	26.2	386.8	13.5	400.3
EBITDA	8.0	0.9	11.6	29.3	132.0	-21.6	160.2	-146.3	13.9
Depreciation, amortisation and impairment								-50.6	-50.6
Net financials								-6.1	-6.1
Profit before tax									-42.8

Not allocated comprises administrative functions as well as operation and maintenance of the Gardens. These functions have no business activities and generate only very limited revenue.

SEGMENT REPORTING 30 JUNE 2018	Games & Casino	Food & beverage	High-End	Enterprise Rental	Sales	Culture	Total	Not allocated	Total
Revenue	30.2	52.3	69.2	31.1	165.7	44.1	392.6	10.8	403.4
Total revenue	30.2	52.3	69.2	31.1	165.7	44.1	392.6	10.8	403.4
EBITDA	4.6	1.0	8.4	29.8	130.6	-18.6	155.8	-141.5	14.3
Depreciation, amortisation and impairment								-45.6	-45.6
Net financials								-5.5	-5.5
Profit before tax									-36.8

Not allocated comprises administrative functions as well as operation and maintenance of the Gardens. These functions have no business activities and generate only very limited revenue.

Net revenue



Revenue consists of net revenue and other operational income, cf. the definitions below.

Net revenue consists of revenue and other operating income, including entrance to the Gardens, income from sale of annual cards, income from rides, tenant and leases, premises etc., as well as income from sale of services. Revenue also includes received royalties, grants and sponsorships. Income is recognized in the income statement if delivery and risk transfer have taken place before the end of the year, and if the income can be calculated reliably and is expected to be received. All revenue has been achieved in Denmark.

Revenue from sales of annual cards, etc. is accrued, where the service is provided over several accounting periods. Net revenue is measured at fair value excl. VAT and taxes charged on behalf of third parties. All types of discounts made are recognized in net revenue. Revenue from cash games is presented after deduction of payout and gaming tax to the state. Costs for obtaining contracts are not capitalized, since contracts do not run for more than 12 months and are not assessed materially.

Revenue by type	Segments	2019	2018	2019	2018	2018
DKK million		Q2	Q2	1/1 -30/6	1/1 -30/6	1/1-31/12
Sales of goods	(Games & Casino, Food & Beverage, High-End)	78.1	76.8	104.3	104.3	273.0
Service	(Games & Casino, Sales, Culture)	178.3	175.1	244.7	249.9	648.8
Rent	(Enterprise Rental)	22.5	22.8	31.8	31.3	83.0
Sponsorships	(Sales, Culture)	5.3	5.0	8.6	7.8	23.7
Royalties	(Non allocated)	3.2	3.9	6.0	6.7	13.5
Other revenue	(Culture, Non allocated)	2.9	1.9	4.9	3.4	16.8
Total		290.3	285.5	400.3	403.4	1,058.8
Time of recognition of revenue:	At a certain time	260.2	252.2	342.1	339.1	911.3
	Over time	30.1	33.3	58.2	64.3	147.5
Total		290.3	285.5	400.3	403.4	1,058.8

Securing future cash flows



Derivative financial instruments are recognized in the balance sheet at cost on the trading day and subsequently measured at market value.

Market value of derivative financial instruments is included in other receivables or other debt. Offsetting positive and negative values is done only when the company has the right and the intention is to settle several financial instruments net. Market values for derivative financial instruments are calculated on the basis of current market data and recognized valuation methods.

Changes in the market value of derivative financial instruments classified as and meeting the criteria for hedging the market value of a recognized asset or liability are recognized in the income statement together with changes in the value of the hedged asset or liability in respect of the part that is secured.

Changes in the part of the market value of derivative financial instruments that are classified as and meet the conditions for hedging future cash flows and which effectively hedge changes in the value of the hedged item are recognized in other comprehensive income. When the hedged transaction is realized, gains or losses relating to such hedging transactions are transferred from other comprehensive income and recognized in the same item as the hedged item.

For derivative financial instruments that do not meet the conditions for treatment as hedging instruments, changes in market value are recognized on an ongoing basis in the income statement under financial items. Changes in deferred tax due to changes in tax rates are recognized in the income statement.

	2019		2018	
	Contract amount	Fair value 30 June	Contract amount	Fair value 30 June
Financial instruments total (interest swaps)	414.5	48.9	414.5	25.9

Contract amounts are stated as the remaining debt per 30 June 2019. The fair value is recognized under equity less tax.

Financial instruments that hedge expected transactions but do not qualify for hedge accounting in accordance with IFRS 9.

Methods and prerequisites for the calculation of fair values

Interest rate swaps and forward exchange contracts are valued according to generally accepted valuation methods based on relevant observable swap curves and exchange rates.

Fair value hierarchy for financial instruments measured at fair value in the balance sheet

Financial liabilities as of 30 June 2018	"Listed prices (level 1)"	"Observable input (level 2)"	"Non-observable input (level 3)"	Total
Derivative financial instruments entered into to hedge future cash flows	0.0	25.9	0.0	25.9

Financial liabilities as of 30 June 2019	"Listed prices (level 1)"	"Observable input (level 2)"	"Non-observable input (level 3)"	Total
Derivative financial instruments entered into to hedge future cash flows	0.0	48.9	0.0	48.9

Notes

NOTE 1 – ACCOUNTING POLICIES

The Interim Report was prepared in accordance with IAS 34 “Interim Financial Reporting” as adopted by the EU and additional Danish disclosure requirements for interim financial reporting of listed companies. The Interim report is prepared in accordance to the same accounting policies as the latest annual report for 2018, with exemption for IFRS 16, which has been implemented in this interim period, see below.

Tivoli has implemented IFRS 16 regarding leasing as of 1 January 2019. IFRS 16 has been implemented modified retrospectively, which means that comparative figures has not been modified. The change has meant that most of Tivolis operational lease contracts are now capitalized. This has increased assets and liabilities by approx. 2%. Consequently this has a limited effect on financial KPI's related to the balance sheet. The effect on EBITDA is also immaterial. Cash flow from operating activities has increased because of the main part of leasing payments is now classified as cash flow from financing activities.

In connection with the future divestment of TivoliCasino.dk, management have considered, that TivoliCasino.dk does not constitute a discontinuing activity (in accordance with IFRS 5) as it is part of an operating segment and no independent balance sheet and cash flows are calculated. Thus TivoliCasino.dk is not presented separately in the income statement, balance sheet and cash flow statement. The divestment is only disclosed in the management review.

The annual report for 2018 contains the full description of accounting policies.

NOTE 2 – ACCOUNTING ESTIMATES & JUDGEMENTS

The preparation of interim reports requires that Management make accounting estimates and judgements, which affect the accounting policies applied as well as recognized assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

The key accounting estimates and judgments made by Management in applying the Company's accounting policies and the most material uncertainties related to these were the same when preparing the condense Interim Report as when preparing the Annual Report at 31 December 2018.

NOTE 3 - SEASONALITY

The profit before tax is typically lower in the first half year of the year, compared with other quarters. This development is caused by the fact that the Tivoli Gardens is closed during parts of the first quarter, furthermore maintenance and development of the Garden is performed during first quarter. Cash flow from operations is also typically negative during first quarter, caused by the negative result.

NOTE 4 – RELATED-PARTY TRANSACTIONS

The nature and extent of transactions with related parties remain unchanged from last year. Reference is made to the description in the Annual Report for 2018.

The Augustinus Foundation Group	2019 1/1-30/6	2018 1/1-30/6
Loan from Chr. Augustinus Fabrikker Akts.	60.0	0.0
Sponsorship from Augustinus Foundation Group	0.0	0.6
Interest to Chr. Augustinus Fabrikker Akts.	0.0	0.0

Management statement

The Executive and Supervisory Boards have today considered and adopted the Interim Report of Tivoli A/S for the period 1 January – 30 June 2019.

The Interim Report, which has not been audited or reviewed by the Group's auditors, was prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional Danish disclosure requirements for interim financial reporting of listed companies.

In our opinion, the Interim Report gives a true and fair view of the Group's financial position at 30 June 2019 and of the results of the Group's operations and cash flow for the period 1 January – 30 June 2019.

Furthermore, it is our opinion, that the Management's Review gives a true and fair view of the development in the Group's activities and financial position, profit for the period and the financial position of the Group as a whole, together with a description of the significant risks and un-certainties facing the Group.

Apart from what is indicated in the interim report, there are not any changes in the Group's significant risks and uncertainties in regard to what was stated in the 2018 Annual Report.

Copenhagen, 16 August 2019

Executive Board:

Lars Liebst
CEO

Andreas Morthorst
CFO

Supervisory Board:

Tom Knutzen
Chairman

Mads Lebech
Deputy Chairman

Ulla Brockenhuus-Schack

Claus Gregersen

John Høegh Berthelsen

Tue Krogh-Lund