

PARKEN's business operations are sound

The Danish newspaper Berlingske Tidende contains several articles questioning the soundness of PARKEN Sport & Entertainment A/S. The newspaper brings statements such as "Parken on the edge of an abyss" and "Parken has a number of unsound subsidiaries".

Commenting on the articles, Flemming Østergaard, Chairman of the Board of PARKEN Sport & Entertainment A/S, says:

"I am astonished at these articles in the Berlingske Tidende, and their mere existence compels me to reiterate that our business operations are fundamentally sound. I acknowledge that the financial crisis has impeded our aggressive expansion plans, and that its unfortunate timing means that our financial expenses are somewhat higher than originally anticipated. However, in December 2008 we discussed and resolved this issue with our bankers, and I am convinced that our strong business areas will continue to deliver the necessary cash flow in the coming years," he says, adding:

"I think the negative rumours circulating about the finances of PARKEN are based on a misconception of the treatment for accounting purposes of the 761 summer houses in Lalandia Billund, which have been sold, but are not recognised as income until they are gradually handed over in 2008, 2009 and 2010. I naturally accept that our debts are the subject of media coverage, but it is without foundation to say that we are on the edge of an abyss and that we have unsound subsidiaries. This simply cannot be concluded from our financial statements, and it is grotesque that the Berlingske Tidende points to the 2007 financial statements for Lalandia Billund as an example. The aqua world will open on 24 April 2009, so it is hardly surprising that it did not yield a profit in 2007," says Flemming Østergaard, summarising:

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"At present there are presumably very few companies that are not battling the consequences of the financial crisis. PARKEN is facing higher financing expenses than we could have wished, but, as I have already said, everything is under control. On the other hand, we have not yet seen any serious negative impact on our day-to-day operations, and in the short term we can register almost 10,000 new members of fitness dk in January, 29,000 sold tickets to F.C. Copenhagen's match against Manchester City in February and sales of around 1,000 tickets per day to LEGO World in PARKEN in the schools' winter break. I am fully aware that the current events in the global economy should not be taken lightly, but I also know that our strong and profitable business areas are well-positioned to overcome the challenges, while harnessing the general financial crisis to further strengthen their dominant positions in a number of growth markets," Flemming Østergaard concludes.

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Yours sincerely

PARKEN Sport & Entertainment A/S

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