

PARKEN Sport & Entertainment A/S

CVR 15 10 77 07

Interim results as at 30 September 2008

In view of the current situation in the financial markets, the Supervisory Board of PARKEN Sport & Entertainment A/S has decided to opt for expanded reporting in the form of a full interim report.

Summary

- On the basis of the current profits from operating activities and, most recently, F.C. Copenhagen's qualification for the group stages of the UEFA Cup, on 6 October 2008, the Company's expectations of profit before tax and before adjustment of swap accrual for 2008 were revised upwards, from the previously announced DKK 100 million to a level of DKK 120 million.
- PARKEN Sport & Entertainment continued its progress in the first three quarters of 2008. The pre-tax profit for the period was DKK 65.0 million, relative to DKK 49.8 million for the corresponding period in 2007.
- During the period under review, Lalandia Billund handed over 205 out of 761 holiday houses to their new owners, and the construction of the remaining holiday houses, as well as the leisure centre and AquaDome, is proceeding according to plan, both as regards timetable and budget.
Lalandia Rødby has opened a new outdoor heated pool area.
- fitness dk introduced a new price structure at the beginning of the year, and achieved a marked increase in membership as a result – at 30 September 2008, fitness dk had over 123,000 members.
- In June, PARKEN Sport & Entertainment acquired 70% of a newly established Italian company – Montepaone S.r.l. – with an option to acquire a site where it is planned to construct a modern sports, leisure and activity centre.
- In February, PARKEN Sport & Entertainment sold its 55% ownership interest in Billelslugen A/S and simultaneously acquired 10% of the new ticket company behind Billelslugen A/S, Creatrix A/S.
- Construction of the new SuperBest stand is proceeding according to plan, both as regards timetable and budget, and the stand is expected to be completed in the summer of 2009.
- Having fully considered the financial implications, PARKEN Sport & Entertainment has decided to postpone the construction of the new multi-arena in Copenhagen for up to 12 months.
- The FCK men's handball team won the Danish championship for the first time, and the women's team won bronze medals. F.C. Copenhagen gained a set of medals for the eighth successive season – in 2007/08 it was bronze. All three teams have qualified for the group stages of the European tournaments; as far as the FCK handball teams are concerned, they have qualified for the European Champions League.

Financial highlights for the Group

DKKm	Q 3 2008	Q 3 2007	1-3 Q 2008	1-3 Q 2007	2006/07 (18 mths.)
Key figures					
Total income	368,2	274,4	1.018,5	772,8	1.550,1
Operating profit before amortisation and transfer activities					
	41,0	74,9	119,8	128,5	301,3
Amortisation	1,2	6,3	3,7	19,2	38,6
Transfer activities	7,2	(14,4)	1,2	(26,3)	(39,4)
Financial income and expense	(39,4)	(11,3)	(52,3)	(33,2)	(61,4)
Profit before tax	7,6	42,9	65,0	49,8	161,9
Profit	5,4	32,0	48,4	40,1	130,5
Non-current assets	2.099,6	1.376,5	2.099,6	1.376,5	1.596,3
Current assets	989,6	774,8	989,6	774,8	786,1
Total assets	3.089,2	2.151,3	3.089,2	2.151,3	2.382,4
Share capital	49,4	49,4	49,4	49,4	49,4
Equity	765,8	688,5	765,8	688,5	664,6
Non-current liabilities	669,4	460,7	669,4	460,7	386,6
Current liabilities	1.654,0	1.002,1	1.654,0	1.002,1	1.331,2
Financial ratios					
Net profit ratio, %	11,1	27,3	11,8	16,6	19,4
Return on capital employed (ROCE), % *	1,3	3,5	3,9	0,0	8,4
Equity ratio, %	24,8	32,0	24,8	47,7	27,9
Book value per share	310,19	278,88	310,19	224,16	269,20
Share price (end of period)	1.111	1.419	1.111	1.419	1.216

*) The figure stated for 2006/07 has been calculated for a 12-month period.

Management Review

The Group's income increased by 32 per cent from DKK 772.8 million to DKK 1,018.5 million. The increase is primarily attributable to the sale of holiday houses at Lalandia Billund where more than DKK 300 million was recognised as income during the period as a result of the hand-over of a total of 205 holiday houses. Rental income from property lettings, commissions and booking fees were down in the first three quarters of the year relative to the same period last year, as a result of the sale of the south-eastern office tower in autumn 2007 and the disposal of the Billetlugen shares at the beginning of 2008.

The operating profit before amortisation and transfer activities was DKK 119.8 million, compared with DKK 128.5 million in the first three quarters of 2007, at which time the proceeds from the sale of the south-eastern office tower were included.

The profit from transfer activities for the period was DKK 1.2 million, relative to a loss of DKK 26.3 million for the first three quarters of 2007. The 2008 profit from transfer activities is positively impacted, in particular, by sales of contractual rights for Michael Gravgaard and Brede Hangeland.

The increase in debts has affected the Group's financial income and expense, and the value of interest rate swaps at 30 September 2008 led to accrual of an expense of DKK 16 million based on the yield curve on that date.

The PARKEN Group realised a profit before tax of DKK 65.0 million for the first three quarters of 2008, up from DKK 49.8 million for the same period last year.

Total assets have increased by approximately DKK 700 million in 2008, mainly as a result of the construction of the new SuperBest stand, as well as the holiday houses, leisure centre and AquaDome at Billund.

At the end of the period, equity stood at DKK 765.8 million, up by DKK 101.2 million. Current liabilities to credit institutions rose by about DKK 382 million, and a new long-term loan has increased non-current liabilities to credit institutions by about DKK 230 million.

The Group's cash flow position remains strong – the operating cash flow before changes in working capital amounted to just under DKK 140 million for the first three quarters of the year (DKK 114 million for the same period last year).

Latest developments within the Group

PARKEN

Having fully considered the financial implications, PARKEN Sport & Entertainment has decided to postpone the construction of the new multi-arena in Copenhagen for up to 12 months – the reason being that the Company expects to see a significant fall in construction and material prices following the slowdown in the construction sector.

Construction of the new SuperBest stand is proceeding according to plan, both as regards timetable and budget and the stand is expected to be completed in the summer of 2009.

fitness dk

fitness dk introduced a new price structure at the beginning of the year, and achieved a marked increase in membership as a result – at 30 September 2008, fitness dk had over 123,000 members, relative to 83,000 at the end of September 2007. Five new centres have been opened in 2008, taking the total number of centres to 38, and the fitness chain is now represented in virtually all major Danish towns.

Lalandia

A new outdoor heated pool area has been opened at Lalandia Rødby, and a new cinema is expected to open in early 2009. In Billund, 205 out of 761 holiday houses have been handed over to their new owners, and the construction of the remaining holiday houses, as well as the leisure centre and AquaDome, is proceeding according to plan, both as regards timetable and budget. It is expected that a total of 393 holiday houses will be handed over in 2008.

Miscellaneous

In June, PARKEN Sport & Entertainment acquired 70% of a newly established Italian company – Montepaone S.r.l. – with an option to acquire a site where it is planned to construct a modern sports and leisure centre. The site covers 68 hectares and is located near the town of Montepaone in Calabria in southern Italy. The plans for this site include 684 luxury apartments, as well as a modern sports and leisure centre. 102,000 shares in PARKEN made payment for the transaction.

In February, PARKEN Sport & Entertainment sold its 55% ownership interest in Billetlugen A/S, and simultaneously acquired 10% of the new ticket company behind Billetlugen A/S, Creatrix A/S.

Significant risks

Interest rate swaps have been entered into to hedge a large part of the Group's interest rate risk.

Incentive schemes

In the first three quarters of the year, a total of 54,700 new share options were issued to the Chairman of the Supervisory Board, the Executive Board and other executives. During the period, 55,800 options were exercised. At 30 September 2009, the number of options outstanding was 65,000.

Expectations for 2008

On the basis of the current profits from operating activities and, most recently, F.C. Copenhagen's qualification for the group stages of the UEFA Cup, on 6 October 2008, the Company's expectations of profit before tax and before adjustment of swap accrual for 2008 were revised upwards, from the previously announced DKK 100 million to a level of DKK 120 million.

In the opinion of the Supervisory Board, no risks or circumstances call for these expectations for 2008 to be revised.

Management Statement

The Supervisory Board and the Executive Board have today considered and approved this Interim Report for PARKEN Sport & Entertainment A/S, covering the period 1 January – 30 September 2008.

This Interim Report has been prepared in accordance with IAS 34, Interim Financial Reporting, as approved by the EU, and with the further disclosure requirements laid down in Danish legislation for interim reporting by listed companies. It has not been audited or reviewed by the Company's Auditor.

In our opinion, this Interim Report gives a true and fair view of the Group's financial assets, liabilities and financial position as at 30 September 2008 and of the result of the Group's activities and cash flows during the period 1 January – 30 September 2008.

It is also our opinion that the Management Review contains a true and fair account of the development of the Group's activities and financial affairs, the profit for the period and the Group's financial position as a whole, and a description of the principal risks and uncertainties faced by the Group.

Copenhagen, 19 November 2008

Executive Board

Jørgen Glistrup
CEO

Dan Hammer
Commercial Director

Supervisory Board

Flemming Østergaard
Chairman

Niels-Christian Holmstrøm

Hans Jensen

Michael Kjær

Flemming Lindeløv

Peter Norvig

Benny Olsen

Hans Henrik Palm

Income statement

DKK '000	1-3 Q 2008	1-3 Q 2007	Q 3 2008	Q 3 2007
Revenue	1.018.459	668.005	368.164	219.608
Revaluation of investment properties	0	54.853	0	54.853
Total income	1.018.459	722.858	368.164	274.461
Other income	29.434	0	0	0
External costs	626.225	326.330	225.180	109.981
Staff costs	256.864	229.681	85.409	76.572
Depreciation and impairment	45.051	38.341	16.632	13.072
Operating profit before amortisation and transfer activities	119.753	128.506	40.943	74.836
Amortisation	3.734	19.185	1.244	6.287
Loss from transfer activities	1.226	-26.293	7.251	-14.404
EBIT	117.245	83.028	46.950	54.145
Total financial income and expense	-52.282	-33.220	-39.361	-11.271
Profit before tax	64.963	49.808	7.589	42.874
Tax on profit for the year	16.525	9.708	2.181	10.870
Profit for the year	48.438	40.100	5.408	32.004
To be distributed as follows:				
Shareholders in PARKEN Sport & Entertainment A/S	44.079	34.290	3.013	29.004
Minority interests	4.359	5.810	2.395	3.000
	48.438	40.100	5.408	32.004
Earnings per share				
Earnings per share (EPS) of DKK 20	18,20	14,06		
Diluted earnings per share (EPS-D) of DKK 20	17,76	13,70		

Balance sheet

DKK '000	30.09.2008	31.12.2007	30.09.2007
ASSETS			
Non-current assets			
Intangible assets			
Goodwill	448.563	449.463	437.248
Leasehold interests	661	812	0
Contractual rights	167.750	122.989	132.225
Patents and trademarks	1.625	1.678	1.516
Completed development projects	0	3.428	3.115
Other intangible assets	18.354	21.810	27.776
	636.953	600.180	601.880
Property, plant and equipment			
Land and buildings	587.799	553.739	471.292
Leasehold improvements	58.222	60.037	63.872
Other plant, fixtures and fittings, tools and equipment	123.500	115.972	110.388
Property, plant and equipment under construction and prepayments for property, plant and equipment	660.127	242.808	123.512
	1.429.648	972.556	769.064
Other non-current assets			
Deposits	19.536	18.943	0
Receivables	12.945	0	0
Deferred tax	468	4.588	5.585
	32.949	23.531	5.585
Total non-current assets	2.099.550	1.596.267	1.376.529
Current assets			
Inventories	607.354	312.357	77.457
Investment properties	0	0	318.307
Receivables	143.672	152.324	275.165
Prepayments	18.404	13.206	19.128
Securities	6.900	7.520	7.460
Cash at bank and in hand	13.504	101.133	77.281
	789.834	586.540	774.798
Assets available for sale	199.778	199.576	0
Total current assets	989.612	786.116	774.798
TOTAL ASSETS	3.089.162	2.382.383	2.151.327

Balance sheet

DKK '000	30.09.2008	31.12.2007	30.09.2007
EQUITY AND LIABILITIES			
Equity			
Share capital	49.376	49.376	49.376
Reserve for fair value of investment assets	46.222	46.222	46.222
Retained earnings	590.360	534.552	548.622
Equity share attributable to shareholders of PARKEN Sport & Entertainment A/S	685.958	630.150	644.220
Minority interests	79.848	34.408	44.298
Total equity	765.806	664.558	688.518
Liabilities			
Non-current liabilities			
Deferred tax	185.891	132.321	145.191
Provisions for liabilities	27.256	25.349	16.063
Mortgage credit institutions	455.273	223.296	280.019
Other payables	0	4.455	16.540
Deposits	1.025	1.232	2.898
Total non-current liabilities	669.445	386.653	460.711
Current liabilities			
Provisions for liabilities	7.398	8.906	0
Mortgage credit institutions	1.296.386	913.436	698.603
Trade payables and other payables	188.239	304.141	233.128
Corporation tax	20.605	2.538	131
Deferred income	88.731	45.469	70.236
	1.601.359	1.274.490	1.002.098
Liabilities in respect of assets available for sale	52.552	56.682	0
Total current liabilities	1.653.911	1.331.172	1.002.098
Total liabilities	2.323.356	1.717.825	1.462.809
TOTAL EQUITY AND LIABILITIES	3.089.162	2.382.383	2.151.327

Statement of changes in equity

	<i>Group</i>					
	<u>Shareholders of PARKEN Sport & Entertainment A/S</u>					
DKK '000	Share capital	Fair value adjust- ments assets	Retained earnings	Total	Minority interests	Total
Equity at 1 Jan. 2007	49.376	56.858	531.546	637.780	38.423	676.203
Changes in equity in 1-3Q 2007						
Value adjustment of hedging instruments	0	0	776	776	0	776
Share-based payments			4.422	4.422		4.422
Tax on changes in equity	0	0	-218	-218	0	-218
Net gains taken directly to equity	0	0	4.980	4.980	0	4.980
Profit for the year	0	0	34.290	34.290	5.810	40.100
Total income	0	0	39.270	39.270	5.810	45.080
Acquisition of treasury shares	0	0	-39.430	-39.430	0	-39.430
Disposal of treasury shares	0	0	6.600	6.600	0	6.600
Minority interests, net	0	0	0	0	65	65
Total changes in equity	0	0	6.440	6.440	5.875	12.315
Equity at 30 September 2007	49.376	56.858	537.986	644.220	44.298	688.518
Equity at 31 Dec. 2007	49.376	46.222	534.552	630.150	34.408	664.558
Changes in equity in 1-3Q 2008						
Value adjustment of hedging instruments	0	0	217	217	0	217
Share-based payments			10.189	10.189		10.189
Tax on changes in equity	0	0	-2.602	-2.602	0	-2.602
Net gains taken directly to equity	0	0	7.804	7.804	0	7.804
Profit for the year	0	0	44.079	44.079	4.359	48.438
Total income	0	0	51.883	51.883	4.359	56.242
Acquisition of treasury shares	0	0	-265.808	-265.808	0	-265.808
Disposal of treasury shares	0	0	269.733	269.733	0	269.733
Minority interests, net	0	0	0	0	41.081	41.081
Total changes in equity	0	0	55.808	55.808	45.440	101.248
Equity at 30 September 2008	49.376	46.222	590.360	685.958	79.848	765.806

Statement of changes in equity

Group

Shareholders of PARKEN Sport & Entertainment A/S

DKK '000	Fair value		Retained	Total	Minority	Total
	Share capital	adjustments	earnings		interests	
Equity at 30 June 2006	49.376	52.813	324.227	426.416	24.119	450.535
Changes in equity in 2006/2007						
Value adjustment of hedging instruments	0	0	1.000	1.000	0	1.000
Share-based payments			9.318	9.318		9.318
Tax on changes in equity	0	0	-3.904	-3.904	0	-3.904
Net gains taken directly to equity	0	0	6.414	6.414	0	6.414
Profit (loss) for the year	0	-6.591	129.229	122.638	7.906	130.544
Total income	0	-6.591	135.643	129.052	7.906	136.958
Acquisition of treasury shares	0	0	-142.392	-142.392	0	-142.392
Disposal of treasury shares	0	0	217.074	217.074	0	217.074
Addition, minority interests	0	0	0	0	12.483	12.483
Disposal, minority interests	0	0	0	0	-10.100	-10.100
Total changes in equity	0	-6.591	210.325	203.734	10.289	214.023
Equity at 31 December 2007	49.376	46.222	534.552	630.150	34.408	664.558

Cash flow statement

DKK '000	1-3 Q 2008	1-3 Q 2007
Revenue	1.018.459	668.005
Costs	-878.577	-554.090
Cash flows from operations before changes in working capital	139.882	113.915
Changes in working capital	-167.150	103.860
Cash flows from operations (operating activities)	-27.268	217.775
Interest income, paid	4.189	2.423
Interest expense, paid	-41.490	-34.342
Cash flows from operations (ordinary activities)	-64.569	185.856
Corporation tax paid	0	0
Cash flows from operating activities	-64.569	185.856
Acquisition of intangible assets	-104.115	-70.521
Disposal of intangible assets	66.741	25.715
Acquisition of property, plant and equipment	-423.170	-214.004
Disposal of property, plant and equipment	1.141	11.113
Acquisition of subsidiaries and activities	-16.056	0
Disposal of subsidiaries and activities	-41.000	0
Cash flows from investing activities	-516.459	-247.697
External financing:		
Repayment of non-current liabilities	-17.894	-11.471
Other non-current liabilities	1.700	13.586
Proceeds from mortgage loans	249.452	0
Changes in liabilities to mortgage credit institutions	385.407	136.215
Shareholders:		
Acquisition of treasury shares	-265.808	-39.430
Disposal of treasury shares	140.542	6.600
Cash flows from financing activities	493.399	105.500
Net cash flows from operating, investing and financing activities	-87.629	43.659
Cash and cash equivalents, beginning of year	101.133	33.622
Cash and cash equivalents, end of year	13.504	77.281

Segment reporting

DKK '000	1-3 Q 2008					
	PARKEN	fitness dk	Lalandia	Other	Elimi.	Group
Revenue	195.945	310.275	491.812	20.427	0	1.018.459
Operating profit before amortisation and transfer activities	25.149	13.117	83.920	23.851	-26.284	119.753

The result of the activities in Lalandia Billund - including the sale of holiday houses - totaled DKK 50 million in the first nine months of 2008. The profit margin from the sale of Billetlugen is entered in the segment Other, under the title of Other income.

Accounting policies

This Interim Report has been prepared in accordance with IAS 34, Interim Financial Reporting, as approved by the EU, and with the further disclosure requirements laid down in Danish legislation for interim reporting by listed companies. This Interim Report has not been audited or reviewed by the Company's Auditor.

The accounting policies used are unchanged in relation to those of the Annual Report for 2006/07.

A full description of the accounting policies applied is given in the 2006/07 Annual Report.

Judgments and estimates

The preparation of interim reports requires Management to make accounting judgments and estimates that affect the use of accounting policies and recognised assets, liabilities, income and expenses. The actual values may differ from these judgments. In the presentation of the consolidated interim report, the critical judgments made by Management in the application of the Groups accounting policies, and the considerable uncertainty inherent in judgments related thereto, are identical to those applying to the presentation of the Annual Report 2006/07.

Property, plant and equipment

In the nine months ended 30 September 2008 the Groups acquired assets in a total amount of DKK 457 million. The acquisitions related primarily to the new stand and the new offices buildings and leisure centre and Aquadome at Lalandia Billund.

Events after the balance sheet date

No significant events have occurred after the balance sheet date in the interim report Q3 2008 that will affect assets, liabilities or financial position as at 30 September 2008 and its results and cash flows for the nine months ended 30 September 2008.

Seasonal fluctuations

Revenue and results posted by the Group for the nine months ended 30 September 2008 were affected by usual seasonal fluctuations.

Contacts

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PARKEN Sport & Entertainment A/S
Copenhagen, 19 November 2008