

# CLUBLINK

ENTERPRISES LIMITED

FOR IMMEDIATE RELEASE  
KING CITY, ONTARIO  
TSX: CLK

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## CLUBLINK ENTERPRISES LIMITED ANNOUNCES THIRD QUARTER 2010 RESULTS AND ELIGIBLE QUARTERLY DIVIDEND

### Financial Highlights

(in thousands of dollars except per share amounts)	Three months ended		Nine months ended	
	September 30, 2010	September 30, 2009	September 30, 2010	September 30, 2009
Operating revenue	86,727	90,594	160,216	165,819
Net operating income <sup>(1)</sup>	33,030	36,887	48,628	51,000
Net membership fee income <sup>(1)</sup>	3,354	3,085	10,150	9,177
EBITDA <sup>(1)</sup>	36,384	39,972	58,778	60,177
Net earnings	16,745	17,001	15,504	13,367
Basic and diluted earnings per share	\$0.59	\$0.63	\$0.55	\$0.55
Weighted average shares outstanding (000's)	27,913	26,788	27,999	24,122

### Third Quarter 2010 Highlights

Consolidated operating revenue decreased 4.3% to \$86,727,000 for the three month period ending September 30, 2010 from \$90,594,000 in 2009 due to the decline in rail, tourism and port operations revenue and exchange. The revenue for this segment has declined due to an 11% decline in port passengers in 2010 and a lower rate of exchange per US dollar for the third quarter (1.0391 compared to 1.0974 in 2009). The RBC Canadian Open hosted by Glen Abbey Golf Club in 2009 also resulted in a decline of approximately \$1,000,000 in operating revenue.

Consolidated cost of sales and operating expenses decreased marginally to \$53,697,000 for the three month period ending September 30, 2010 from \$53,707,000 in 2009. Championship golf rounds decreased 1.0% to 541,364 rounds for the three month period ending September 30, 2010 from 546,699 in 2009, excluding the Florida golf clubs acquired in September. Port passengers from cruise ships decreased 11.2% to 424,828 in the three month period ending September 30, 2010 from 478,667 in 2009. The decline in cruise ships is in reaction to the Alaskan head tax imposed by the state of Alaska. Rail passengers decreased 10.1% to 228,624 from 254,412 in 2009 due to an improved capture rate.

Net operating income decreased 10.5% to \$33,030,000 for the three month period ending September 30, 2010 from \$36,887,000 in 2009 due to the decrease in rail, tourism and port operations revenue and exchange.

Net membership fee income increased 8.7% to \$3,354,000 for the three month period ending September 30, 2010 from \$3,085,000 in 2009 due to the decline in direct costs of originating membership fees resulting from costs incurred in 2009 relating to the Bond Head membership drive.

### **Third Quarter 2010 Consolidated Operating Highlights (cont'd)**

Consolidated EBITDA decreased 9.0% to \$36,384,000 for the three month period ending September 30, 2010 from \$39,972,000 in 2009.

Interest, net decreased 1.7% to \$5,838,000 for the three month period ending September 30, 2010 from \$5,938,000 in 2009 due to a 1.2% decline in debt levels from September 30, 2009 and a lower average cost of debt in 2010.

The effective income tax rate for the three month period ending September 30, 2010 was 31.5% as compared to 35.3% in 2009 resulting in a lower income tax expense for the period.

The non-controlling interest for the three month period ending September 30, 2010 was nil, compared to an expense of \$613,000 in 2009. This is due to the privatization of ClubLink Corporation on July 28, 2009.

Net earnings decreased 1.5% to \$16,745,000 for the three month period ending September 30, 2010 from \$17,001,000 in 2009.

Weighted average shares increased to 27,913,000 for the third quarter ending September 30, 2010 compared to 26,788,000 in the third quarter of 2009 due to the common shares issued by the Company on July 28, 2009 as part of the business combination and privatization of ClubLink Corporation.

### **Eligible Dividend**

Today, ClubLink Enterprises Limited ("ClubLink") announced an eligible dividend of 7.5 cents per share to be paid on December 15, 2010 to shareholders of record as at December 1, 2010.

### **Normal Course Issuer Bid**

On September 16, 2010, ClubLink announced a normal course issuer bid which expires on September 19, 2011 to purchase up to 1,395,000 of its common shares. As at November 4, 2010, ClubLink had not purchased any shares under this bid.

### **Corporate Profile**

ClubLink is engaged in golf club and resort operations under the trade mark "ClubLink One Membership More Golf". ClubLink is Canada's largest owner and operator of golf clubs with 47 ½ 18-hole championship and six 18-hole equivalent academy courses at 40 locations, primarily in Ontario, Quebec and Florida.

ClubLink is also engaged in rail, tourism and port operations based in Skagway, Alaska, which operates under the trade name "White Pass & Yukon Route." The railway stretches approximately 177 kilometers (110 miles) from Skagway, Alaska, through British Columbia to Whitehorse, Yukon. In addition, ClubLink operates three docks primarily for cruise ships.

(1) Net operating income, net membership fee income and EBITDA are not recognized performance measures under Canadian GAAP. EBITDA is defined as earnings before taxes, interest, depreciation, amortization, non-controlling interest and earnings from equity accounted investments. Management believes that in addition to net earnings, these measures are useful supplemental information to provide investors with an indication of the Company's performance. Investors should be cautioned, however, that these measures should not be construed as an alternative to net earnings determined in accordance with Canadian GAAP as an indicator of the Company's performance. ClubLink's method of calculating these measures is consistent from year to year, but may be different than those used by other companies (See "Management's Discussion and Analysis of Financial Condition and Results of Operations").

*Management's discussion and analysis, financial statements and other disclosure information relating to the Company is available through SEDAR and at [www.sedar.com](http://www.sedar.com) and on the Company website at [www.clublinkenterprises.ca](http://www.clublinkenterprises.ca).*

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