

# TWC ENTERPRISES LIMITED

FOR IMMEDIATE RELEASE  
KING CITY, ONTARIO  
TSX: TWC

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## TWC ENTERPRISES LIMITED ANNOUNCES SECOND QUARTER 2015 RESULTS AND ELIGIBLE DIVIDEND

### Consolidated Financial Highlights

(in thousands of dollars except per share amounts)	Three months ended		Six months ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Operating revenue	65,598	60,946	88,743	83,442
Net operating income <sup>1</sup>	17,522	14,571	18,741	16,119
Net membership fee income <sup>1</sup>	2,160	2,533	4,678	5,473
Earnings before other items and income taxes <sup>1</sup>	19,682	17,104	23,419	21,592
Net earnings (loss)	4,666	2,830	(2,718)	(2,872)
Basic and diluted earnings (loss) per share	0.17	0.11	(0.10)	(0.11)
Cash flow from operations <sup>1</sup>	12,189	7,364	6,058	3,768
Basic and diluted cash flow from operations per share <sup>1</sup>	0.46	0.28	0.23	0.14
Weighted average shares outstanding (000's)	26,786	26,650	26,786	26,650

### Operating Data

	Three months ended		Six months ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
<b>ClubLink One Membership More Golf</b>				
Championship rounds – Canada	344,000	325,000	344,000	325,000
18-hole equivalent championship golf courses – Canada	42.5	43.5	42.5	43.5
Championship rounds – U.S.	94,000	89,000	239,000	221,000
18-hole equivalent championship golf courses – U.S.	12.0	12.0	12.0	12.0
<b>White Pass and Yukon Route</b>				
Rail passengers	154,000	146,000	154,000	146,000
Port passengers from cruise ships	311,000	297,000	311,000	297,000
Cruise ship dockings	146	147	146	147

## Second Quarter 2015 Consolidated Operating Highlights

The exchange rate used for translating US denominated earnings has increased to 1.2294 for the three months ended June 30, 2015 from 1.0905 for the three month period ended June 30, 2014 due to the declining Canadian dollar.

Consolidated operating revenue increased 7.6% to \$65,598,000 for the three month period ended June 30, 2015 from \$60,946,000 in 2014, due to higher operating revenues from all three business units in addition to the foreign exchange impact on translating US denominated revenue.

Consolidated operating expenses increased 3.7% to \$48,076,000 for the three month period ended June 30, 2015 from \$46,375,000 in 2014, due to the impact on the translation of the US denominated expenses.

Net operating income for the Canadian golf club operations segment increased 10.4% to \$7,237,000 in 2015 from \$6,554,000 in 2014 due to higher operating revenue generated by a 5.8% increase in championship golf rounds.

Net operating income for US golf club operations segment increased to US \$196,000 in 2015 from a loss of US \$110,000 in 2014 primarily due to the increase in rounds to 94,000 in 2015 from 89,000 in 2014.

Net operating income for the rail and port operations increased 23.5% to US \$8,750,000 from US \$8,049,000 in 2014 due to a 5.5% increase in rail passengers and a 4.7% increase in port passengers.

Net membership fee income decreased 14.7% to \$2,160,000 for the three month period ended June 30, 2015 from \$2,533,000 in 2014 primarily due to the completion of amortization of membership fee revenue for the Canadian members that joined in 2002.

Earnings before other items and income taxes increased 15.1% to \$19,682,000 for the three month period ended June 30, 2015 from \$17,104,000 in 2014.

Interest, net decreased 7.0% to \$4,832,000 for the three month period ended June 30, 2015 from \$5,197,000 in 2014 primarily due to a lower cost of borrowing in 2015 (5.35% compared to 5.51%) and a 3.2% decline in borrowings.

Other income, net changed to an income of \$275,000 for the three month period ended June 30, 2015 from expense of \$56,000 for 2014.

Net earnings increased to \$4,666,000 for the three month period ended June 30, 2015 from \$2,830,000 in 2014 primarily due to the increase in net operating income.

## Comparability

The completion of amortization of membership fee revenue for the 2002 Canadian member group in 2014 has resulted in a decline in earnings, but has minimal cash flow impact.

Other expense includes certain one-time and non-cash items which are not comparable between years.

The impact of these items is as follows:

(thousands of dollars - except per share amounts)	For the six months ended	
	June 30, 2015	June 30, 2014
Net loss as reported	\$ (2,718)	\$ (2,872)
Members that joined in 2002 - amortization of membership fees	-	(1,346)
Other expense	2,017	923
Income tax provision on above adjustments	(418)	52
Pro Forma net loss	\$ (1,119)	\$ (3,243)
Loss per share as reported	\$ (0.10)	\$ (0.11)
Less: impact of amortization of membership fees	-	(0.05)
Impact of other expense	0.08	0.04
Impact of income tax provision on above adjustments	(0.02)	-
Pro Forma loss per share	\$ (0.04)	\$ (0.12)

## Eligible Dividend

Today, TWC Enterprises Limited announced an eligible stock dividend of 7.5 cents per share to be distributed on September 15, 2015 to shareholders of record on August 31, 2015.

The number of TWC common shares to be distributed on September 15, 2015 will be the number of TWC common shares held by each shareholder on August 31, 2015 times 7.5 cents divided by the average closing market price of TWC shares traded between August 17, 2015 and September 14, 2015. Fractional shares will be paid in cash at the average closing market price of TWC shares.

## Corporate Profile

TWC is engaged in golf club operations under the trademark, "ClubLink One Membership More Golf." TWC is Canada's largest owner and operator of golf clubs with 54.5 18-hole equivalent championship and six 18-hole equivalent academy courses at 44 locations in Ontario, Quebec and Florida.

TWC is also engaged in rail and port operations based in Skagway, Alaska, which operate under the trade name "White Pass & Yukon Route." The railway stretches approximately 177 kilometres (110 miles) from Skagway, Alaska, to Whitehorse, Yukon. Presently, approximately 110 kilometres (67.5 miles) of the railway is in active service from Skagway, Alaska, to Carcross, Yukon. In addition, White Pass operates three docks, primarily for cruise ships.

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(1) Net operating income, net membership fee income, earnings before other items and income taxes, cash flow from operations and basic and diluted cash flow from operations per share are not recognized performance measures under International Financial Reporting Standards ("IFRS"). 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 IFRS as an indicator of the Company's performance or to cash flows from operating, investing and financing activities as a measure of liquidity and cash flows. 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" for detailed calculations).

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.twcenterprises.ca](http://www.twcenterprises.ca).