CEDAR FAIR L P
Form 10-Q
November 07, 2012
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q
(Mark One)

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2012
OR

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to .
Commission file number 1-9444
CEDAR FAIR, L.P.
(Exact name of registrant as specified in its charter)

| | |
|---|---|
| DELAWARE | 34-1560655 |
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |

One Cedar Point Drive, Sandusky, Ohio 44870-5259
(Address of principal executive offices) (Zip Code)
(419) 626-0830
(Registrant's telephone number, including area code)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

| | | | |
|---|---|---|---|
| Large accelerated filer | x | Accelerated filer | o |
| Non-accelerated filer | o (Do not check if a smaller reporting company) | Smaller reporting company | o |

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No x

| Title of Class | Units Outstanding As Of November 1, 2012 |
|---|---|
| Units Representing Limited Partner Interests | 55,519,784 |

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CEDAR FAIR, L.P.
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)

| | 9/30/2012 | 12/31/2011 | 9/25/2011 |
|---|---|---|---|
| ASSETS | | | |
| Current Assets: | | | |
| Cash and cash equivalents | $96,102 | $35,524 | $96,312 |
| Receivables | 29,357 | 7,611 | 38,539 |
| Inventories | 33,593 | 33,069 | 36,946 |
| Current deferred tax asset | 10,345 | 10,345 | 5,874 |
| Income tax refundable | 10,454 | — | — |
| Other current assets | 7,443 | 11,966 | 9,299 |
| | 187,294 | 98,515 | 186,970 |
| Property and Equipment: | | | |
| Land | 309,257 | 312,859 | 311,877 |
| Land improvements | 347,631 | 333,423 | 332,853 |
| Buildings | 581,513 | 579,136 | 578,249 |
| Rides and equipment | 1,490,289 | 1,423,370 | 1,437,590 |
| Construction in progress | 10,898 | 33,892 | 17,315 |
| | 2,739,588 | 2,682,680 | 2,677,884 |
| Less accumulated depreciation | (1,175,744) | (1,063,188) | (1,062,605) |
| | 1,563,844 | 1,619,492 | 1,615,279 |
| Goodwill | 247,663 | 243,490 | 242,149 |
| Other Intangibles, net | 40,865 | 40,273 | 40,067 |
| Other Assets | 50,171 | 54,188 | 56,622 |
| | $2,089,837 | $2,055,958 | $2,141,087 |
| LIABILITIES AND PARTNERS' EQUITY | | | |
| Current Liabilities: | | | |
| Current maturities of long-term debt | $— | $15,921 | $— |
| Accounts payable | 22,596 | 12,856 | 28,458 |
| Deferred revenue | 34,682 | 29,594 | 32,694 |
| Accrued interest | 7,012 | 15,762 | 13,968 |
| Accrued taxes | 52,404 | 16,008 | 33,093 |
| Accrued salaries, wages and benefits | 36,219 | 33,388 | 41,109 |
| Self-insurance reserves | 23,092 | 21,243 | 21,942 |
| Current derivative liability | — | 50,772 | 59,366 |
| Other accrued liabilities | 10,843 | 7,899 | 12,247 |
| | 186,848 | 203,443 | 242,877 |
| Deferred Tax Liability | 143,094 | 133,767 | 123,973 |
| Derivative Liability | 34,708 | 32,400 | 33,835 |
| Other Liabilities | 7,380 | 4,090 | 2,872 |
| Long-Term Debt: | | | |
| Term debt | 1,131,100 | 1,140,179 | 1,156,100 |
| Notes | 400,676 | 400,279 | 400,154 |
| | 1,531,776 | 1,540,458 | 1,556,254 |

| | | | |
|---|---|---|---|
| Commitments and Contingencies (Note 10) | | | |
| Partners' Equity: | | | |
| Special L.P. interests | 5,290 | 5,290 | 5,290 |
| General partner | 1 | — | — |
| Limited partners, 55,519, 55,346 and 55,346 units outstanding at September 30, 2012, December 31, 2011 and September 25, 2011, respectively | 212,797 | 165,518 | 204,974 |
| Accumulated other comprehensive loss | (32,057) | (29,008) | (28,988) |
| | 186,031 | 141,800 | 181,276 |
| | $2,089,837 | $2,055,958 | $2,141,087 |

The accompanying Notes to Unaudited Condensed Consolidated Financial Statements are an integral part of these statements.

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CEDAR FAIR, L.P.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(In thousands, except per unit amounts)

| | Three months ended | | Nine months ended | | Twelve months ended | |
|---|---|---|---|---|---|---|
| | 9/30/2012 | 9/25/2011 | 9/30/2012 | 9/25/2011 | 9/30/2012 | 9/25/2011 |
| Net revenues: | | | | | | |
| Admissions | $319,607 | $333,924 | $533,143 | $505,155 | $624,030 | $585,526 |
| Food, merchandise and games | 171,336 | 191,494 | 305,203 | 307,265 | 347,374 | 348,591 |
| Accommodations and other | 62,502 | 46,850 | 100,903 | 71,207 | 112,690 | 79,199 |
| | 553,445 | 572,268 | 939,249 | 883,627 | 1,084,094 | 1,013,316 |
| Costs and expenses: | | | | | | |
| Cost of food, merchandise and games revenues | 47,353 | 48,758 | 83,926 | 79,981 | 96,002 | 90,778 |
| Operating expenses | 163,311 | 161,452 | 380,832 | 351,558 | 460,125 | 426,955 |
| Selling, general and administrative | 52,993 | 51,978 | 115,488 | 110,126 | 145,788 | 133,192 |
| Depreciation and amortization | 60,747 | 63,448 | 113,156 | 110,857 | 128,136 | 126,382 |
| Loss on impairment of goodwill and other intangibles | — | — | — | — | — | 903 |
| Loss on impairment / retirement of fixed assets, net | 25,000 | 880 | 24,230 | 1,076 | 25,719 | 63,509 |
| | 349,404 | 326,516 | 717,632 | 653,598 | 855,770 | 841,719 |
| Operating income | 204,041 | 245,752 | 221,617 | 230,029 | 228,324 | 171,597 |
| Interest expense | 26,863 | 41,353 | 83,902 | 124,650 | 116,437 | 171,049 |
| Net effect of swaps | (175) | (3,962) | (1,318) | (3,507) | (10,930) | 1,772 |
| Unrealized/realized foreign currency (gain) loss | (15,035) | 18,549 | (13,926) | 14,704 | (18,721) | 2,323 |
| Other (income) expense | (13) | (250) | (31) | 835 | (68) | 761 |
| Income (loss) before taxes | 192,401 | 190,062 | 152,990 | 93,347 | 141,606 | (4,308) |
| Provision (benefit) for taxes | 51,713 | 37,844 | 41,395 | 21,773 | 30,839 | (12,424) |
| Net income | 140,688 | 152,218 | 111,595 | 71,574 | 110,767 | 8,116 |
| Net income allocated to general partner | 1 | 2 | 1 | 1 | 1 | 1 |
| Net income allocated to limited partners | $140,687 | $152,216 | $111,594 | $71,573 | $110,766 | $8,115 |
| | | | | | | |
| Net income | $140,688 | $152,218 | $111,595 | $71,574 | $110,767 | $8,116 |
| Other comprehensive income (loss), (net of tax): | | | | | | |
| Cumulative foreign currency translation adjustment | (563) | 2,842 | (1,251) | 2,354 | (2,672) | (1,704) |
| Unrealized income (loss) on cash flow hedging derivatives | (234) | (3,224) | (1,798) | 2,366 | (397) | 22,916 |
| Other comprehensive income (loss), (net of tax) | (797) | (382) | (3,049) | 4,720 | (3,069) | 21,212 |
| Total comprehensive income | $139,891 | $151,836 | $108,546 | $76,294 | $107,698 | $29,328 |
| Basic earnings per limited partner unit: | | | | | | |
| Weighted average limited partner units outstanding | 55,611 | 55,346 | 55,473 | 55,345 | 55,440 | 55,342 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Net income per limited partner unit | $2.53 | $2.75 | $2.01 | $1.29 | $2.00 | $0.15 |
| Diluted earnings per limited partner unit: | | | | | | |
| Weighted average limited partner units outstanding | 55,992 | 55,828 | 55,848 | 55,847 | 55,887 | 55,886 |
| Net income per limited partner unit | $2.51 | $2.73 | $2.00 | $1.28 | $1.98 | $0.15 |

The accompanying Notes to Unaudited Condensed Consolidated Financial Statements are an integral part of these statements.

CEDAR FAIR, L.P.
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PARTNERS' EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012
(In thousands)

| | Nine months ended 9/30/12 |
|---|---|
| Limited Partnership Units Outstanding | |
| Beginning balance | 55,346 |
| Limited partnership unit options exercised | 15 |
| Issuance of limited partnership units as compensation | 158 |
| | 55,519 |
| Limited Partners' Equity | |
| Beginning balance | $165,518 |
| Net income | 111,594 |
| Partnership distribution declared ($1.20 per limited partnership unit) | (66,565) |
| Expense recognized for limited partnership unit options | 304 |
| Tax effect of units involved in option exercises and treasury unit transactions | (454) |
| Issuance of limited partnership units as compensation | 2,400 |
| | 212,797 |
| General Partner's Equity | |
| Beginning balance | — |
| Net income | 1 |
| | 1 |
| Special L.P. Interests | 5,290 |
| Accumulated Other Comprehensive Income (Loss) | |
| Cumulative foreign currency translation adjustment: | |
| Beginning balance | (3,120) |
| Current period activity, net of tax $718 | (1,251) |
| | (4,371) |
| Unrealized loss on cash flow hedging derivatives: | |
| Beginning balance | (25,888) |
| Current period activity, net of tax $126 | (1,798) |
| | (27,686) |
| | (32,057) |
| Total Partners' Equity | $186,031 |

The accompanying Notes to Unaudited Condensed Consolidated Financial Statements are an integral part of this statement.

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CEDAR FAIR, L.P.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

| | Nine months ended | | Twelve months ended | |
|---|---|---|---|---|
| | 9/30/2012 | 9/25/2011 | 9/30/2012 | 9/25/2011 |
| CASH FLOWS FROM (FOR) OPERATING ACTIVITIES | | | | |
| Net income | $111,595 | 71,574 | $110,767 | $8,116 |
| Adjustments to reconcile net income to net cash from (for) operating activities: | | | | |
| Depreciation and amortization | 113,156 | 110,857 | 128,136 | 126,382 |
| Loss on impairment of goodwill and other intangibles | — | — | — | 903 |
| Loss on impairment / retirement of fixed assets, net | 24,230 | 1,076 | 25,719 | 63,509 |
| Net effect of swaps | (1,318) | (3,507) | (10,930) | 1,772 |
| Non-cash (income) expense | (3,006) | 20,933 | (608) | 14,562 |
| Net change in working capital | 23,243 | 30,463 | 7,940 | 10,604 |
| Net change in other assets/liabilities | 8,844 | (9,031) | 11,530 | (31,624) |
| Net cash from operating activities | 276,744 | 222,365 | 272,554 | 194,224 |
| CASH FLOWS FROM (FOR) INVESTING ACTIVITIES | | | | |
| Sale of other assets | 1,173 | — | 1,173 | — |
| Capital expenditures | (75,810) | (72,880) | (93,120) | (84,914) |
| Net cash for investing activities | (74,637) | (72,880) | (91,947) | (84,914) |
| CASH FLOWS FROM (FOR) FINANCING ACTIVITIES | | | | |
| Net payments on revolving credit loans | — | (23,200) | — | — |
| Term debt borrowings | — | 22,938 | — | 22,938 |
| Derivative settlement | (50,450) | — | (50,450) | — |
| Term debt payments, including early termination penalties | (25,000) | (23,900) | (25,000) | (41,838) |
| Distributions paid to partners | (66,565) | (16,604) | (105,308) | (30,438) |
| Exercise of limited partnership unit options | 47 | — | 53 | 7 |
| Payment of debt issuance costs | — | (20,490) | (723) | (22,757) |
| Excess tax benefit from unit-based compensation expense | (454) | — | (454) | — |
| Net cash for financing activities | (142,422) | (61,256) | (181,882) | (72,088) |
| EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS | 893 | (1,682) | 1,065 | (2,611) |
| CASH AND CASH EQUIVALENTS | | | | |
| Net increase (decrease) for the period | 60,578 | 86,547 | (210) | 34,611 |
| Balance, beginning of period | 35,524 | 9,765 | 96,312 | 61,701 |
| Balance, end of period | $96,102 | $96,312 | $96,102 | $96,312 |
| SUPPLEMENTAL INFORMATION | | | | |
| Cash payments for interest expense | $86,018 | $124,875 | $114,470 | $165,480 |
| Interest capitalized | 1,984 | 868 | 2,951 | 1,011 |
| Cash payments for income taxes | 8,761 | 6,020 | 8,876 | 8,763 |

The accompanying Notes to Unaudited Condensed Consolidated Financial Statements are an integral part of these statements.

CEDAR FAIR, L.P.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIODS ENDED SEPTEMBER 30, 2012 AND SEPTEMBER 25, 2011

The accompanying unaudited condensed consolidated financial statements have been prepared from the financial records of Cedar Fair, L.P. (the Partnership) without audit and reflect all adjustments which are, in the opinion of management, necessary to fairly present the results of the interim periods covered in this report.

Due to the highly seasonal nature of the Partnership's amusement and water park operations, the results for any interim period are not indicative of the results to be expected for the full fiscal year. Accordingly, the Partnership has elected to present financial information regarding operations and cash flows for the preceding fiscal twelve-month periods ended September 30, 2012 and September 25, 2011 to accompany the quarterly results. Because amounts for the fiscal twelve months ended September 30, 2012 include actual 2011 season operating results, they may not be indicative of 2012 full calendar year operations. Additionally, the nine and twelve month fiscal periods for 2012 include an additional weekend of operations compared with the nine and twelve month periods for 2011.

(1) Significant Accounting and Reporting Policies:

The Partnership's unaudited condensed consolidated financial statements for the periods ended September 30, 2012 and September 25, 2011 included in this Form 10-Q report have been prepared in accordance with the accounting policies described in the Notes to Consolidated Financial Statements for the year ended December 31, 2011, which were included in the Form 10-K filed on February 29, 2012. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission (the Commission). These financial statements should be read in conjunction with the financial statements and the notes thereto included in the Form 10-K referred to above.

(2) Interim Reporting:

The Partnership owns and operates eleven amusement parks, six separately gated outdoor water parks, one indoor water park and five hotels. Virtually all of the Partnership's revenues from its seasonal amusement parks, as well as its outdoor water parks and other seasonal resort facilities, are realized during a 130- to 140-day operating period beginning in early May, with the major portion concentrated in the third quarter during the peak vacation months of July and August.

To assure that these highly seasonal operations will not result in misleading comparisons of current and subsequent interim periods, the Partnership has adopted the following accounting and reporting procedures for its seasonal parks: (a) revenues on multi-day admission tickets are recognized over the estimated number of visits expected for each type of ticket and are adjusted periodically during the season, (b) depreciation, advertising and certain seasonal operating costs are expensed during each park's operating season, including certain costs incurred prior to the season which are amortized over the season, and (c) all other costs are expensed as incurred or ratably over the entire year.

(3) Long-Lived Assets:

Long-lived assets are reviewed for impairment upon the occurrence of events or changes in circumstances that would indicate that the carrying value of the assets may not be recoverable. In order to determine if an asset has been impaired, assets are grouped and tested at the lowest level for which identifiable, independent cash flows are available. A significant amount of judgment is involved in determining if an indicator of impairment has occurred. Such indicators may include, among others: a significant decline in expected future cash flows; a sustained, significant decline in equity price and market capitalization; a significant adverse change in legal factors or in the business climate; unanticipated competition; and slower growth rates. Any adverse change in these factors could have a significant impact on the recoverability of these assets and could have a material impact on our consolidated financial statements.

The long-lived operating asset impairment test involves a two-step process. The first step is a comparison of each asset group's carrying value to its estimated undiscounted future cash flows expected to result from the use of the assets, including disposition. Projected future cash flows reflect management's best estimates of economic and market conditions over the projected period, including growth rates in revenues and costs, estimates of future expected changes in operating margins and cash expenditures. Other significant estimates and assumptions include terminal value growth rates and future estimates of capital expenditures. If the carrying value of the asset group is higher than its undiscounted future cash flows, there is an indication that impairment exists and the second step must be performed to measure the amount of impairment loss. The amount of impairment is determined by comparing the implied fair value of the asset group to its carrying value in a manner consistent with the highest and best use of those assets.

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The Partnership estimates fair value of operating assets using an income, market, and/or cost approach. The income approach which uses an asset group's projection of estimated operating results and cash flows that is discounted using a weighted-average cost of capital reflective of current market conditions. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. The cost approach is based on the amount currently required to replace the service capacity of an asset adjusted for obsolescence. If the implied fair value of the assets is less than their carrying value, an impairment charge is recorded for the difference.

Non-operating assets are evaluated for impairment based on changes in market conditions. When changes in market conditions are observed, impairment is estimated using a market-based approach. If the estimated fair value of the non-operating assets is less than their carrying value, an impairment charge is recorded for the difference.

At the end of the third quarter of 2012, the Partnership concluded based on 2012 operating results through the third quarter and updated forecasts, that a review of the carrying value of operating long-lived assets at Wildwater Kingdom was warranted. After performing its review, the Partnership determined that a portion of the park's fixed assets were impaired. Also, at the end of the third quarter of 2012, the Partnership concluded that market conditions had changed on the adjacent non-operating land of Wildwater Kingdom. After performing its review of the updated market value of the land, the Partnership determined the land was impaired. The Partnership recognized a total of $25.0 million of fixed-asset impairment during the third quarter of 2012 which was recorded in "Loss on impairment / retirement of fixed assets, net" on the condensed consolidated statement of operations.

At the end of the fourth quarter of 2010, the Partnership concluded based on 2010 operating results, as well as updated forecasts, that a review of the carrying value of long-lived assets at California's Great America was warranted. After performing its review, the Partnership determined that a portion of the park's fixed assets, the majority of which were originally recorded with the Paramount Parks (PPI) acquisition, were impaired. As a result, the Partnership recognized $62.0 million of fixed-asset impairment during the fourth quarter of 2010 which was recorded in "Loss on impairment / retirement of fixed assets, net" on the condensed consolidated statement of operations. There has been no subsequent impairment on these assets.

(4) Goodwill and Other Intangible Assets:
In accordance with the applicable accounting rules, goodwill is not amortized, but, along with indefinite-lived trade-names, is evaluated for impairment on an annual basis or more frequently if indicators of impairment exist. Until December 2010, goodwill related to parks acquired prior to 2006 was tested annually for impairment as of October 1, while goodwill and other indefinite-lived intangibles, including trade-name intangibles, related to the PPI acquisition in 2006 were tested annually for impairment as of April 1. Effective in December 2010, the Partnership changed the date of its annual goodwill impairment tests from April 1 and October 1 to December 31 to more closely align the impairment testing procedures with its long-range planning and forecasting process, which occurs in the fourth quarter each year. The Partnership believes the change was preferable since the long-term cash flow projections are a key component in performing its annual impairment tests of goodwill. In addition, the Partnership changed the date of its annual impairment test for other indefinite-lived intangibles from April 1 to December 31.

During 2010, the Partnership tested goodwill for impairment as of April 1, 2010 or October 1, 2010, as applicable, and again as of December 31, 2010. The tests indicated no impairment of goodwill as of any of those dates. During 2010, the Partnership tested other indefinite-lived intangibles for impairment as of April 1, 2010 and December 31, 2010. After performing the December 31, 2010 test of indefinite-lived intangibles, it was determined that a portion of the trade-names at California's Great America, originally recorded with the PPI acquisition, were impaired. As a result, the Partnership recognized $0.9 million of additional trade-name impairment during the fourth quarter of 2010 which was recorded in "Loss on impairment of goodwill and other intangibles" on the consolidated statement of operations.

The change in accounting principle related to changing the annual goodwill impairment testing date did not delay, accelerate, avoid or cause an impairment charge. As it was impracticable to objectively determine operating and valuation estimates for periods prior to December 31, 2010, the Partnership has prospectively applied the change in the annual goodwill impairment testing date from December 31, 2010.

The Partnership tested goodwill and other indefinite-lived intangibles for impairment on December 31, 2011 and no impairment was indicated. In September 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2011-08, “Intangibles — Goodwill and Other,” which gives an entity the option to first assess qualitative factors to determine whether it is necessary to perform the current two-step goodwill impairment test. If an entity believes, as a result of its qualitative assessment, that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, the two-step goodwill impairment test is required. We adopted this guidance during the first quarter of 2012 and it did not impact the Partnership's consolidated financial statements.

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In July 2012, the FASB issued ASU 2012-02, "Testing Indefinite-Lived Intangible Assets for Impairment," which allows an entity the option to first assess qualitatively whether it is more-likely-than-not that an indefinite-lived intangible asset is impaired, thus necessitating that it perform the quantitative impairment test. An entity is not required to calculate the fair value of an indefinite-lived intangible asset and perform the quantitative impairment test unless the entity determines that it is more likely than not that the asset is impaired. The revised standard is effective for annual impairment testing performed for fiscal years beginning after September 15, 2012, however early adoption is permitted. We do not anticipate this guidance having a material impact on the Partnership's consolidated financial statements.

A summary of changes in the Partnership's carrying value of goodwill for the nine months ended September 30, 2012 is as follows:

| (In thousands) | Goodwill (gross) | Accumulated Impairment Losses | Goodwill (net) |
|---|---|---|---|
| Balance at December 31, 2011 | $323,358 | $(79,868) | $243,490 |
| Foreign currency translation | 4,173 | — | 4,173 |
| September 30, 2012 | $327,531 | $(79,868) | $247,663 |

At September 30, 2012, December 31, 2011, and September 25, 2011 the Partnership's other intangible assets consisted of the following:

| September 30, 2012 | Gross Carrying Amount | Accumulated Amortization | Net Carrying Value |
|---|---|---|---|
| (In thousands) | | | |
| Other intangible assets: | | | |
| Trade names | $40,425 | $— | $40,425 |
| License / franchise agreements | 790 | 350 | 440 |
| Total other intangible assets | $41,215 | $350 | $40,865 |
| | | | |
| December 31, 2011 | | | |
| (In thousands) | | | |
| Other intangible assets: | | | |
| Trade names | $39,835 | $— | $39,835 |
| License / franchise agreements | 760 | 322 | 438 |
| Total other intangible assets | $40,595 | $322 | $40,273 |
| | | | |
| September 25, 2011 | | | |
| (In thousands) | | | |
| Other intangible assets: | | | |
| Trade names | $39,645 | $— | $39,645 |
| License / franchise agreements | 734 | 312 | 422 |
| Non-compete agreements | 200 | 200 | — |
| Total other intangible assets | $40,579 | $512 | $40,067 |

Amortization expense of other intangible assets for the nine months ended September 30, 2012 and September 25, 2011 was $29,000 and $49,000, respectively. The estimated amortization expense for the remainder of 2012 is $10,000. Estimated amortization expense is expected to total less than $50,000 in each year from 2012 through 2015.

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(5) Long-Term Debt:

In July 2010, the Partnership issued $405 million of 9.125% senior unsecured notes, maturing in 2018, in a private placement, including $5.6 million of Original Issue Discount to yield 9.375%. Concurrently with this offering, the Partnership entered into a new $1,435 million credit agreement (the "2010 Credit Agreement”), which included a $1,175 million senior secured term loan facility and a $260 million senior secured revolving credit facility. The net proceeds from the offering of the notes, along with borrowings under the 2010 Credit Agreement, were used to repay in full all amounts outstanding under the previous credit facilities. The facilities provided under the 2010 Credit Agreement are collateralized by substantially all of the assets of the Partnership.

Terms of the 2010 Credit Agreement included a revolving credit facility of a combined $260 million. Under the 2010 Credit Agreement, the Canadian portion of the revolving credit facility has a limit of $15 million. U.S. denominated loans made under the revolving credit facility bear interest at a rate of LIBOR plus 400 basis points (bps) (with no LIBOR floor). Canadian denominated loans made under the Canadian portion of the facility also bear interest at a rate of LIBOR plus 400 bps (with no LIBOR floor). The revolving credit facility, which matures in July 2015, also provides for the issuance of documentary and standby letters of credit. The Amended 2010 Credit Agreement requires the Partnership to pay a commitment fee of 50 bps per annum on the unused portion of the credit facilities.

In February 2011, the Partnership amended the 2010 Credit Agreement (as so amended, the “Amended 2010 Credit Agreement”) and extended the maturity date of the term loan portion of the credit facilities by one year. The extended U.S. term loan, matures in December 2017 and bears interest at a rate of LIBOR plus 300 bps, with a LIBOR floor of 100 bps. In May 2012, the Partnership prepaid $16.0 million of long-term debt to meet its obligation under the Excess Cash Flow ("ECF") provision of the Credit Agreement. As a result of this prepayment as well as the August 2011 $18.0 million debt prepayment and a $9.0 million optional prepayment made in September 2012, the Partnership has no scheduled term-debt principal payments until the first quarter of 2015.

The Amended 2010 Credit Agreement requires the Partnership to maintain specified financial ratios, which if breached for any reason, including a decline in operating results, could result in an event of default under the agreement. The most critical of these ratios is the Consolidated Leverage Ratio which is measured on a trailing-twelve month quarterly basis. The Consolidated Leverage Ratio is set at 6.0x consolidated total debt- (excluding the revolving debt) to-Consolidated EBITDA and will remain at that level through the end of the third quarter in 2013, and the ratio will decrease further each fourth quarter beginning with the fourth quarter of 2013. As of September 30, 2012, the Partnership’s Consolidated Leverage Ratio was 3.89x, providing $138.3 million of consolidated EBITDA cushion on the ratio as of the end of the third quarter. The Partnership was in compliance with all other covenants under the Amended 2010 Credit Agreement as of September 30, 2012.

The Partnership's $405 million of senior unsecured notes pay interest semi-annually in February and August, with the principal due in full on August 1, 2018. The notes may be redeemed, in whole or in part, at any time prior to August 1, 2014 at a price equal to 100% of the principal amount of the notes redeemed plus a “make-whole” premium together with accrued and unpaid interest, if any, to the redemption date. Thereafter, the notes may be redeemed, in whole or in part, at various prices depending on the date redeemed. Prior to August 1, 2013, up to 35% of the notes may be redeemed with the net cash proceeds of certain equity offerings at 109.125%.

The Amended 2010 Credit Agreement also includes provisions that allow the Partnership to make restricted payments of up to $20 million annually, so long as no default or event of default has occurred and is continuing. These restricted payments are not subject to any specific covenants. Additional restricted payments are allowed to be made based on an Excess-Cash-Flow formula, should the Partnership’s pro-forma Consolidated Leverage Ratio be less than or equal to 4.50x. Per the terms of the indenture governing the Partnership's notes, the ability to make restricted payments in 2012 and beyond is permitted should the Partnership's trailing-twelve-month

Total-Indebtedness-to-Consolidated-Cash-Flow Ratio be less than or equal to 4.75x, measured on a quarterly basis.

In addition to the above, among other covenants and provisions, the Amended 2010 Credit Agreement contains an initial three-year requirement (from July 2010) that at least 50% of our aggregate term debt and senior notes be subject to either a fixed interest rate or interest rate protection.

(6) Derivative Financial Instruments:
Derivative financial instruments are only used within the Partnership's overall risk management program to manage certain interest rate and foreign currency risks from time to time. The Partnership does not use derivative financial instruments for trading purposes.

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The Partnership had effectively converted a total of $1.0 billion of its variable-rate debt to fixed rates through the use of several interest rate swap agreements through October 1, 2011. Cash flows related to these interest rate swap agreements were included in interest expense over the term of the agreements. These interest rate swap agreements expired in October 2011. The Partnership had designated all of these interest rate swap agreements and hedging relationships as cash flow hedges.

In order to maintain fixed interest costs on a portion of its domestic term debt beyond the expiration of the swaps entered into in 2006 and 2007, in September 2010 the Partnership entered into several forward-starting swap agreements ("September 2010 swaps") to effectively convert a total of $600 million of variable-rate debt to fixed rates beginning in October 2011. As a result of the February 2011 amendment to the 2010 Credit Agreement, the LIBOR floor on the term loan portion of its credit facilities decreased to 100 bps from 150 bps, causing a mismatch in critical terms of the September 2010 swaps and the underlying debt. Because of the mismatch of critical terms, the Partnership determined the September 2010 swaps, which were originally designated as cash flow hedges, were no longer highly effective, resulting in the de-designation of the swaps as of the end of February 2011. As a result of this ineffectiveness, gains of $7.2 million recorded in accumulated other comprehensive income (AOCI) through the date of de-designation are being amortized through December 2015, to a balance of $3.9 million to offset the change in fair value during the period of de-designation as discussed below. Of the $6.1 million remaining in AOCI as of September 30, 2012, $2.2 million has yet to be amortized.

In March 2011, the Partnership entered into several additional forward-starting basis-rate swap agreements ("March 2011 swaps") that, when combined with the September 2010 swaps, effectively converted $600 million of variable-rate debt to fixed rates beginning in October 2011. The September 2010 swaps and the March 2011 swaps, which have been jointly designated as cash flow hedges, mature in December 2015 and fix LIBOR at a weighted average rate of 2.46%. For the period that the September 2010 swaps were de-designated, their fair value decreased by $3.3 million, the offset of which was recognized as a direct charge to the Partnership's earnings and recorded to “Net effect of swaps” on the consolidated statement of operations along with the regular amortization of “Other comprehensive income (loss)” balances related to these swaps. No other ineffectiveness related to these swaps was recorded in any period presented.

In May 2011, the Partnership entered into four additional forward-starting basis-rate swap agreements ("May 2011 swaps") that effectively converted another $200 million of variable-rate debt to fixed rates beginning in October 2011. These swaps, which were designated as cash flow hedges, mature in December 2015 and fix LIBOR at a weighted average rate of 2.54%.

The fair market value of the September 2010 swaps, the March 2011 swaps, and the May 2011 swaps at September 30, 2012 was a liability of $34.7 million, which was recorded in “Derivative Liability” on the condensed consolidated balance sheet.

In 2007, the Partnership entered into two cross-currency swap agreements, which effectively converted $268.7 million of term debt at the time, and the associated interest payments, related to its wholly owned Canadian subsidiary from variable U.S. dollar denominated debt to fixed-rate Canadian dollar denominated debt. The Partnership originally designated these cross-currency swaps as foreign currency cash flow hedges. Cash flows related to these swap agreements were included in interest expense over the term of the agreement. These swap agreements expired in February 2012.

In May 2011 and July 2011, the Partnership entered into several foreign currency swap agreements to fix the exchange rate on approximately 75% of the termination payment associated with the cross-currency swap agreements that expired in February 2012. The Partnership did not seek hedge accounting treatment on these foreign currency swaps, and as such, changes in fair value of the swaps flowed directly through earnings along with changes in fair value on the related, de-designated cross-currency swaps. In February 2012, all of the cross-currency and related currency swap agreements were settled for $50.5 million.

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Fair Value of Derivative Instruments in Condensed Consolidated Balance Sheet:

| (In thousands): | Condensed Consolidated Balance Sheet Location | Fair Value as of September 30, 2012 | Fair Value as of December 31, 2011 | Fair Value as of September 25, 2011 |
|---|---|---|---|---|
| Derivatives designated as hedging instruments: | | | | |
| Interest rate swaps | Current derivative liability | $— | $— | $(4,797) |
| Interest rate swaps | Derivative Liability | (34,708) | (32,400) | (33,835) |
| Total derivatives designated as hedging instruments | | $(34,708) | $(32,400) | $(38,632) |
| Derivatives not designated as hedging instruments: | | | | |
| Foreign currency swaps | Current derivative liability | $— | $(13,155) | $(16,846) |
| Cross-currency swaps | Current derivative liability | — | (37,617) | (37,723) |
| Total derivatives not designated as hedging instruments | | $— | $(50,772) | $(54,569) |
| Net derivative liability | | $(34,708) | $(83,172) | $(93,201) |

The following table presents our September 2010 swaps, March 2011 swaps, and May 2011 swaps, which became effective October 1, 2011 and mature December 15, 2015, along with their notional amounts and their fixed interest rates.

| ($'s in thousands) | Interest Rate Swaps | |
|---|---|---|
| | Notional Amounts | LIBOR Rate |
| | $200,000 | 2.40 % |
| | 75,000 | 2.43 % |
| | 50,000 | 2.42 % |
| | 150,000 | 2.55 % |
| | 50,000 | 2.42 % |
| | 50,000 | 2.55 % |
| | 25,000 | 2.43 % |
| | 50,000 | 2.54 % |
| | 30,000 | 2.54 % |
| | 70,000 | 2.54 % |
| | 50,000 | 2.54 % |
| Total $'s / Average Rate | $800,000 | 2.48 % |

The following table presents our fixed-rate swaps, which matured in October 2011, and the cross-currency swap which matured in February 2012, along with their notional amounts and their fixed interest rates:

| ($'s in thousands) | Interest Rate Swaps | | Cross-currency Swaps | |
|---|---|---|---|---|
| | Notional Amounts | LIBOR Rate | Notional Amounts | Implied Interest Rate |
| | $200,000 | 5.64 % | $255,000 | 7.31 % |
| | 200,000 | 5.64 % | 150 | 9.50 % |
| | 200,000 | 5.64 % | | |
| | 200,000 | 5.57 % | | |
| | 100,000 | 5.60 % | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| | 100,000 | 5.60 | % | | | |
| Total $'s / Average Rate | $1,000,000 | 5.62 | % | $255,150 | 7.31 | % |

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Effects of Derivative Instruments on Income (Loss) and Other Comprehensive Income (Loss) for the three-month periods ended September 30, 2012 and September 25, 2011:

| (In thousands): | Amount of Gain (Loss) Recognized in Accumulated OCI on Derivatives (Effective Portion) | | Amount and Location of Gain (Loss) Reclassified from Accumulated OCI into Income (Effective Portion) | | | Amount and Location of Gain (Loss) Recognized in Income on Derivative (Ineffective Portion) | | |
|---|---|---|---|---|---|---|---|---|
| Derivatives designated as Cash Flow Hedging Relationships | Three months ended 9/30/12 | Three months ended 9/25/11 | | Three months ended 9/30/12 | Three months ended 9/25/11 | | Three months ended 9/30/12 | Three months ended 9/25/11 |
| Interest rate swaps | $438 | $(17,085 ) | Interest Expense | $(2,990 ) | $— | Net effect of swaps | $— | $15,396 |

| (In thousands): | Amount and Location of Gain (Loss) Recognized in Income on Derivative | | |
|---|---|---|---|
| Derivatives not designated as Cash Flow Hedging Relationships | | Three months ended 9/30/12 | Three months ended 9/25/11 |
| Cross-currency swaps (1) | Net effect of swaps | $— | $13,622 |
| Foreign currency swaps | Net effect of swaps | — | (13,210 ) |
| | | $— | $412 |

(1) The cross-currency swaps became ineffective and were de-designated in August 2009.

During the quarter ended September 30, 2012, $0.2 million of income representing the regular amortization of amounts in AOCI was recorded in the condensed consolidated statements of operations for the quarter. The effect of this amortization resulted in a benefit to earnings of $0.2 million recorded in “Net effect of swaps.”

For the three-month period ended September 25, 2011, in addition to the $15.8 million gain recognized in income on the ineffective portion of derivatives noted in the table above, $11.2 million of expense representing the amortization of amounts in AOCI for the swaps and $0.6 million of foreign currency loss in the quarter related to the U.S. dollar denominated Canadian term loan were recorded in “Net effect of swaps” in the condensed consolidated statements of operations. The net effect of these amounts resulted in a benefit to earnings of $4.0 million recorded in “Net effect of swaps.”

Effects of Derivative Instruments on Income (Loss) and Other Comprehensive Income (Loss) for the nine-month periods ended September 30, 2012 and September 25, 2011:

| (In thousands): | Amount of Gain (Loss) Recognized in Accumulated OCI on Derivatives (Effective Portion) | | Amount and Location of Gain (Loss) Reclassified from Accumulated OCI into Income (Effective Portion) | | | Amount and Location of Gain (Loss) Recognized in Income on Derivative (Ineffective Portion) | | |
|---|---|---|---|---|---|---|---|---|
| Derivatives designated as Cash Flow Hedging | Nine months ended 9/30/12 | Nine months ended 9/25/11 | | Nine months ended 9/30/12 | Nine months ended 9/25/11 | | Nine months ended 9/30/12 | Nine months ended 9/25/11 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Relationships | | | | | | | | |
| Interest rate swaps | $(2,308 ) | $(36,788 ) | Interest Expense | $(9,004 ) | $— | Net effect of swaps | $— | $43,190 |

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| (In thousands): | Amount and Location of Gain (Loss) Recognized in Income on Derivative | | |
|---|---|---|---|
| Derivatives not designated as Cash Flow Hedging Relationships | | Nine months ended 9/30/12 | Nine months ended 9/25/11 |
| Interest rate swaps [1] | Net effect of swaps | $— | $(3,342) |
| Cross-currency swaps [2] | Net effect of swaps | (4,999) | 15,582 |
| Foreign currency swaps | Net effect of swaps | 6,278 | (17,516) |
| | | $1,279 | $(5,276) |

(1) The September 2010 swaps became ineffective and were de-designated in February 2011.
(2) The cross-currency swaps became ineffective and were de-designated in August 2009.

For the nine-month period ended September 30, 2012, in addition to the $1.3 million of net gain recognized in income on the ineffective portion of derivatives and on the derivatives not designated as cash flow hedges (as noted in the tables above), $0.2 million of expense representing the regular amortization of amounts in AOCI for the swaps and $0.2 million of foreign currency gain in the period related to the U.S. dollar denominated Canadian term loan were recorded in the condensed consolidated statements of operations for the period. The net effect of these amounts resulted in a benefit to earnings for the period of $1.3 million recorded in "Net effect of swaps."

For the nine-month period ended September 25, 2011, in addition to the $37.9 million gain recognized in income on the ineffective portion of derivatives noted in the table above, $33.9 million of expense representing the amortization of amounts in AOCI for the swaps and $0.5 million of foreign currency loss in the period related to the U.S. dollar denominated Canadian term loan were recorded in "Net effect of swaps" in the condensed consolidated statements of operations. The net effect of these amounts resulted in a benefit to earnings of $3.5 million recorded in "Net effect of swaps."

Effects of Derivative Instruments on Income (Loss) and Other Comprehensive Income (Loss) for the twelve-month periods ended September 30, 2012 and September 25, 2011:

| (In thousands): | Amount of Gain (Loss) Recognized in Accumulated OCI on Derivatives (Effective Portion) | | Amount and Location of Gain (Loss) Reclassified from Accumulated OCI into Income (Effective Portion) | | | Amount and Location of Gain (Loss) Recognized in Income on Derivative (Ineffective Portion) | | |
|---|---|---|---|---|---|---|---|---|
| Derivatives designated as Cash Flow Hedging Relationships | Twelve months ended 9/30/12 | Twelve months ended 9/25/11 | | Twelve months ended 9/30/12 | Twelve months ended 9/25/11 | | Twelve months ended 9/30/12 | Twelve months ended 9/25/11 |
| Interest rate swaps | $(873) | $(26,329) | Interest Expense | $(12,027) | $— | Net effect of swaps | $4,797 | $54,613 |

| (In thousands): | Amount and Location of Gain (Loss) Recognized in Income on Derivative | | |
|---|---|---|---|
| Derivatives not designated as Cash Flow Hedging Relationships | | Twelve months ended | Twelve months ended |

| | | 9/30/12 | 9/25/11 |
|---|---|---|---|
| Interest rate swaps (1) | Net effect of swaps | $— | $(3,342) |
| Cross-currency swaps (2) | Net effect of swaps | (4,483) | 10,016 |
| Foreign currency swaps | Net effect of swaps | 10,129 | (17,516) |
| | | $5,646 | $(10,842) |

(1) The September 2010 swaps became ineffective and were de-designated in February 2011.

(2) The cross-currency swaps became ineffective and were de-designated in August 2009.

In addition to the $10.4 million of gain recognized in income on the ineffective portion of derivatives and on the derivatives not designated as cash flow hedges (as noted in the tables above), $0.1 million of income representing the amortization of amounts

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in AOCI for the swaps and a $0.4 million foreign currency gain in the twelve month period related to the U.S. dollar denominated Canadian term loan was recorded during the trailing twelve months ended September 30, 2012 in the condensed consolidated statements of operations. The net effect of these amounts resulted in a benefit to earnings for the trailing twelve month period of $10.9 million recorded in "Net effect of swaps."

For the twelve month period ending September 25, 2011, in addition to the $43.8 million of gain recognized in income on the ineffective portion of derivatives noted in the table above, $45.5 million of expense representing the amortization of amounts in AOCI for the swaps and a $0.1 million foreign currency loss in the twelve month period related to the U.S. dollar denominated Canadian term loan was recorded during the trailing twelve months ended September 25, 2011 in the condensed consolidated statements of operations. The net effect of these amounts resulted in a charge to earnings for the trailing twelve month period of $1.8 million recorded in "Net effect of swaps."

The amounts reclassified from AOCI into income for the periods noted above are in large part the result of the Partnership's initial three-year requirement to swap at least 75% of its aggregate term debt to fixed rates under the terms of the Amended 2010 Credit Agreement.

(7) Fair Value Measurements:

The FASB Accounting Standards Codification (ASC) relating to fair value measurements emphasizes that fair value is a market-based measurement that should be determined based on assumptions (inputs) that market participants would use in pricing an asset or liability. Inputs may be observable or unobservable, and valuation techniques used to measure fair value should maximize the use of relevant observable inputs and minimize the use of unobservable inputs. Accordingly, the FASB's ASC establishes a hierarchal disclosure framework that ranks the quality and reliability of information used to determine fair values. The hierarchy is associated with the level of pricing observability utilized in measuring fair value and defines three levels of inputs to the fair value measurement process—quoted prices are the most reliable valuation inputs, whereas model values that include inputs based on unobservable data are the least reliable. Each fair value measurement must be assigned to a level corresponding to the lowest level input that is significant to the fair value measurement in its entirety.

The three broad levels of inputs defined by the fair value hierarchy are as follows:

- Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

- Level 2 – inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

- Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value measurement.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

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The table below presents the balances of assets and liabilities measured at fair value as of September 30, 2012, December 31, 2011, and September 25, 2011 on a recurring basis:

| | Total | Level 1 | Level 2 | Level 3 |
|---|---|---|---|---|
| September 30, 2012 | | | | |
| (In thousands) | | | | |
| Interest rate swap agreements (1) | $(34,708) | $— | $(34,708) | $— |
| Net derivative liability | $(34,708) | $— | $(34,708) | $— |
| | | | | |
| December 31, 2011 | | | | |
| Interest rate swap agreements (1) | $(32,400) | $— | $(32,400) | $— |
| Cross-currency swap agreements (2) | (37,617) | — | (37,617) | — |
| Foreign currency swap agreements (2) | (13,155) | — | (13,155) | — |
| Net derivative liability | $(83,172) | $— | $(83,172) | $— |
| | | | | |
| September 25, 2011 | | | | |
| Interest rate swap agreements (1) | $(33,835) | $— | $(33,835) | $— |
| Interest rate swap agreements (2) | (4,797) | — | (4,797) | — |
| Cross-currency swap agreements (2) | (37,723) | — | (37,723) | — |
| Foreign currency swap agreements (2) | (16,846) | — | (16,846) | — |
| Net derivative liability | $(93,201) | $— | $(93,201) | $— |

(1) Included in “Derivative Liability” on the Unaudited Condensed Consolidated Balance Sheet
(2) Included in "Current derivative liability" on the Unaudited Condensed Consolidated Balance Sheet

Fair values of the interest rate, cross-currency and foreign currency swap agreements are determined using significant inputs, including the LIBOR and foreign currency forward curves, that are considered Level 2 observable market inputs. In addition, the Partnership considered the effect of its credit and non-performance risk on the fair values provided, and recognized an adjustment decreasing the net derivative liability by approximately $1.1 million as of September 30, 2012.

There were no assets measured at fair value on a non-recurring basis at September 30, 2012, December 31, 2011, or September 25, 2011, except for as described below.

At the end of the third quarter in 2012, the Partnership concluded based on operating results, as well as updated forecasts, and changes in market conditions, that a review of the carrying value of long-lived assets at Wildwater Kingdom was warranted. After performing its review, the Partnership determined that a portion of the park's fixed assets were impaired. Based on Level 3 unobservable valuation assumptions and other market inputs, the assets were marked to a fair value of $19.8 million, resulting in an impairment charge of $25.0 million during the quarter.

In 2010, the Partnership concluded based on operating results, as well as updated forecasts, that a review of the carrying value of long-lived assets at California's Great America was warranted. After performing its review, the Partnership determined that a portion of the park's fixed assets, the majority of which were originally recorded with the PPI acquisition, were impaired. As a result, it recognized $62.0 million of fixed-asset impairment during the fourth quarter of 2010.

After completing its 2010 annual review of indefinite-lived intangibles for impairment, the Partnership concluded that a portion of trade-names originally recorded with the PPI acquisition were impaired. As a result, the Partnership recognized approximately $0.9 million of trade-name impairment during the fourth quarter of 2010. A relief-from-royalty model is used to determine whether the fair value of trade-names exceeds their carrying amount. The fair value of the trade-names is determined as the present value of fees avoided by owning the respective trade-name.

The fair value of term debt at September 30, 2012 was approximately $1,125.7 million based on borrowing rates currently available to the Partnership on long-term debt with similar terms and average maturities. The fair value of the Partnership's notes at September 30, 2012 was approximately $352.6 million based on borrowing rates available as of that date to the Partnership on notes with similar terms and maturities. The fair value of the term debt and notes were based on Level 2 inputs.

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(8) Earnings per Unit:

Net income (loss) per limited partner unit is calculated based on the following unit amounts:

| | Three months ended | | Nine months ended | | Twelve months ended | |
|---|---|---|---|---|---|---|
| | 9/30/2012 | 9/25/2011 | 9/30/2012 | 9/25/2011 | 9/30/2012 | 9/25/2011 |
| | (In thousands except per unit amounts) | | | | | |
| Basic weighted average units outstanding | 55,611 | 55,346 | 55,473 | 55,345 | 55,440 | 55,342 |
| Effect of dilutive units: | | | | | | |
| Unit options and restricted unit awards | 45 | — | 42 | — | 31 | — |
| Phantom units | 336 | 482 | 333 | 502 | 416 | 544 |
| Diluted weighted average units outstanding | 55,992 | 55,828 | 55,848 | 55,847 | 55,887 | 55,886 |
| Net income (loss) per unit - basic | $2.53 | $2.75 | $2.01 | $1.29 | $2.00 | $0.15 |
| Net income (loss) per unit - diluted | $2.51 | $2.73 | $2.00 | $1.28 | $1.98 | $0.15 |

The effect of unit options on the three, nine and twelve months ended September 30, 2012, had they not been out of the money or antidilutive, would have been 66,000, 34,000 and 36,000 units, respectively. The effect of out-of-the-money and/or antidilutive unit options on the three, nine and twelve months ended September 25, 2011, had they not been out of the money or antidilutive, would have been 57,000, 67,000 and 127,000 units, respectively.

(9) Income and Partnership Taxes:

Under the applicable accounting rules, income taxes are recognized for the amount of taxes payable by the Partnership’s corporate subsidiaries for the current year and for the impact of deferred tax assets and liabilities, which represent future tax consequences of events that have been recognized differently in the financial statements than for tax purposes. The income tax provision (benefit) for interim periods is determined by applying an estimated annual effective tax rate to the quarterly income (loss) of the Partnership’s corporate subsidiaries. For 2012, the estimated annual effective rate includes the effect of an anticipated adjustment to the valuation allowance that relates to foreign tax credit carry-forwards arising from the corporate subsidiaries. The amount of this adjustment has a disproportionate impact on the annual effective tax rate that results in a significant variation in the customary relationship between the provision for taxes and income before taxes in interim periods. In addition to income taxes on its corporate subsidiaries, the Partnership pays a publicly traded partnership tax (PTP tax) on partnership-level gross income (net revenues less cost of food, merchandise and games). As such, the Partnership’s total provision (benefit) for taxes includes amounts for both the PTP tax and for income taxes on its corporate subsidiaries.

During the second quarter of 2012 the Partnership adjusted its deferred tax assets and liabilities to reflect the impact of changes to the enacted statutory tax rates in Canada and recorded a corresponding $1.8 million income tax provision. During the first quarter of 2012 the Partnership accrued $1.0 million for unrecognized tax benefits including interest and/or penalties related to state and local tax filing positions. The Partnership recognizes interest and/or penalties related to unrecognized tax benefits in the income tax provision. The Partnership does not anticipate that the balance of the unrecognized tax benefit will change significantly over the next 12 months.

(10) Contingencies:

The Partnership is a party to a number of lawsuits arising in the normal course of business. In the opinion of management, none of these matters is expected to have a material effect in the aggregate on the Partnership's financial statements.

(11) Immaterial Restatement:

The Partnership uses the composite depreciation method for the group of assets acquired as a whole in 1983, as well as for groups of assets in each subsequent business acquisition. Upon the normal retirement of an asset within a composite group, the Partnership's practice generally has been to extend the depreciable life of that composite group beyond its original estimated useful life. In conjunction with the preparation of the Partnership's financial statements for the three months ended July 1, 2012, management determined that this methodology was not appropriate. As a result, the Partnership revised the useful lives of its composite groups to their original estimated useful life (ascribed upon acquisition) and corrected previously computed depreciation expense (and accumulated depreciation). Management evaluated the amount and nature of these adjustments and concluded that they were not material to either the Partnership's prior annual or quarterly financial statements. Nonetheless, the historical financial statement amounts included in this filing have been corrected for this error. The Partnership expects to likewise correct previously presented

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historical financial statements to be included in future filings, including the annual financial statements to be included in the Partnership's Annual Report on Form 10-K for the year ending December 31, 2012.

The tables below detail the effects of such depreciation adjustments (including the related deferred income tax impact) on previously presented historical financial statement amounts:

Balance Sheets

| | 12/31/2011 | 9/25/2011 |
|---|---|---|
| Accumulated depreciation | | |
| As originally filed | $(1,044,589) | $(1,044,353) |
| Correction | (18,599) | (18,252) |
| As restated | $(1,063,188) | $(1,062,605) |
| Total assets | | |
| As originally filed | $2,074,557 | $2,159,339 |
| Correction | (18,599) | (18,252) |
| As restated | $2,055,958 | $2,141,087 |
| Deferred Tax Liability | | |
| As originally filed | $135,446 | $125,588 |
| Correction | (1,679) | (1,615) |
| As restated | $133,767 | $123,973 |
| Limited Partners' Equity | | |
| As originally filed | $182,438 | $221,611 |
| Correction | (16,920) | (16,637) |
| As restated | $165,518 | $204,974 |

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Statements of Operations and Other Comprehensive Income

| | Three months ended 9/25/2011 | Nine months ended 9/25/2011 | Twelve months ended 9/25/2011 |
|---|---|---|---|
| Depreciation and amortization | | | |
| As originally filed | $62,619 | $109,173 | $124,345 |
| Correction | 829 | 1,684 | 2,037 |
| As restated | $63,448 | $110,857 | $126,382 |
| Income (loss) before tax | | | |
| As originally filed | $190,891 | $95,031 | $(2,271) |
| Correction | (829) | (1,684) | (2,037) |
| As restated | $190,062 | $93,347 | $(4,308) |
| Provision (benefit) for taxes | | | |
| As originally filed | $38,161 | $22,327 | $(11,808) |
| Correction | (317) | (554) | (616) |
| As restated | $37,844 | $21,773 | $(12,424) |
| Net income (loss) | | | |
| As originally filed | $152,730 | $72,704 | $9,537 |
| Correction | (512) | (1,130) | (1,421) |
| As restated | $152,218 | $71,574 | $8,116 |
| | | | |
| Basic earnings per limited partner unit: | | | |
| As originally filed | $2.76 | $1.31 | $0.17 |
| Correction | (0.01) | (0.02) | (0.02) |
| As restated | $2.75 | $1.29 | $0.15 |
| | | | |
| Diluted earnings per limited partner unit: | | | |
| As originally filed | $2.74 | $1.30 | $0.17 |
| Correction | (0.01) | (0.02) | (0.02) |
| As restated | $2.73 | $1.28 | $0.15 |

(12) Consolidating Financial Information of Guarantors and Issuers:

Cedar Fair, L.P., Canada's Wonderland Company ("Cedar Canada"), and Magnum Management Corporation ("Magnum") are the co-issuers of the Partnership's 9.125% notes (see Note 5). The notes have been fully and unconditionally guaranteed, on a joint and several basis, by each 100% owned subsidiary of Cedar Fair (other than Cedar Canada and Magnum) that guarantees the Partnership's senior secured credit facilities. There are no non-guarantor subsidiaries.

The following consolidating schedules present condensed financial information for Cedar Fair, L.P., Cedar Canada, and Magnum, the co-issuers, and each 100% owned subsidiary of Cedar Fair (other than Cedar Canada and Magnum), the guarantors (on a combined basis), as of September 30, 2012, December 31, 2011, and September 25, 2011 and for the three, nine and twelve month periods ended September 30, 2012 and September 25, 2011. In lieu of providing separate unaudited financial statements for the guarantor subsidiaries, we have included the accompanying condensed consolidating financial statements.

Since Cedar Fair, L.P., Cedar Canada and Magnum are co-issuers of the notes and co-borrowers under the Amended 2010 Credit Agreement, all outstanding debt has been equally reflected within each co-issuer's September 30, 2012, December 31, 2011 and September 25, 2011 balance sheets in the accompanying condensed consolidating financial statements.

The consolidating financial information has been corrected for the information described in Note 11.

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CEDAR FAIR, L.P.
CONDENSED CONSOLIDATING BALANCE SHEET
September 30, 2012
(In thousands)

| | Cedar Fair L.P. (Parent) | Co-Issuer Subsidiary (Magnum) | Co-Issuer Subsidiary (Cedar Canada) | Guarantor Subsidiaries | Eliminations | Total |
|---|---|---|---|---|---|---|
| ASSETS | | | | | | |
| Current Assets: | | | | | | |
| Cash and cash equivalents | $43,000 | $2,263 | $40,278 | $10,561 | $— | $96,102 |
| Receivables | 3 | 108,211 | 64,153 | 478,372 | (621,382) | 29,357 |
| Inventories | — | 1,584 | 2,742 | 29,267 | — | 33,593 |
| Current deferred tax asset | — | 6,239 | 772 | 3,334 | — | 10,345 |
| Income tax refundable | — | — | 10,454 | — | — | 10,454 |
| Other current assets | 929 | 2,065 | 674 | 3,775 | — | 7,443 |
| | 43,932 | 120,362 | 119,073 | 525,309 | (621,382) | 187,294 |
| Property and Equipment (net) | 425,747 | 1,025 | 272,951 | 864,121 | — | 1,563,844 |
| Investment in Park | 577,612 | 791,617 | 118,514 | 63,384 | (1,551,127) | — |
| Goodwill | 9,061 | — | 127,384 | 111,218 | — | 247,663 |
| Other Intangibles, net | — | — | 18,039 | 22,826 | — | 40,865 |
| Deferred Tax Asset | — | 39,320 | — | — | (39,320) | — |
| Intercompany Receivable | 877,208 | 1,069,721 | 1,116,623 | — | (3,063,552) | — |
| Other Assets | 23,361 | 15,580 | 8,925 | 2,305 | — | 50,171 |
| | $1,956,921 | $2,037,625 | $1,781,509 | $1,589,163 | $(5,275,381) | $2,089,837 |
| LIABILITIES AND PARTNERS' EQUITY | | | | | | |
| Current Liabilities: | | | | | | |
| Accounts payable | $210,936 | $116,160 | $29,248 | $287,634 | $(621,382) | $22,596 |
| Deferred revenue | — | — | 4,544 | 30,138 | — | 34,682 |
| Accrued interest | 735 | 195 | 6,082 | — | — | 7,012 |
| Accrued taxes | 5,818 | 42,090 | — | 4,496 | — | 52,404 |
| Accrued salaries, wages and benefits | — | 24,864 | 2,365 | 8,990 | — | 36,219 |
| Self-insurance reserves | — | 4,751 | 1,698 | 16,643 | — | 23,092 |
| Other accrued liabilities | 824 | 4,097 | 2,417 | 3,505 | — | 10,843 |
| | 218,313 | 192,157 | 46,354 | 351,406 | (621,382) | 186,848 |
| Deferred Tax Liability | — | — | 59,462 | 122,952 | (39,320) | 143,094 |
| Derivative Liability | 20,801 | 13,907 | — | — | — | 34,708 |
| Other Liabilities | — | 3,880 | — | 3,500 | — | 7,380 |
| Long-Term Debt: | | | | | | |
| Term debt | 1,131,100 | 1,131,100 | 1,131,100 | — | (2,262,200) | 1,131,100 |
| Notes | 400,676 | 400,676 | 400,676 | — | (801,352) | 400,676 |
| | 1,531,776 | 1,531,776 | 1,531,776 | — | (3,063,552) | 1,531,776 |
| Equity | 186,031 | 295,905 | 143,917 | 1,111,305 | (1,551,127) | 186,031 |
| | $1,956,921 | $2,037,625 | $1,781,509 | $1,589,163 | $(5,275,381) | $2,089,837 |

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CEDAR FAIR, L.P.
CONDENSED CONSOLIDATING BALANCE SHEET
December 31, 2011
(In thousands)

| | Cedar Fair L.P. (Parent) | Co-Issuer Subsidiary (Magnum) | Co-Issuer Subsidiary (Cedar Canada) | Guarantor Subsidiaries | Eliminations | Total |
|---|---|---|---|---|---|---|
| ASSETS | | | | | | |
| Current Assets: | | | | | | |
| Cash and cash equivalents | $— | $512 | $31,540 | $3,472 | $— | $35,524 |
| Receivables | — | 62,408 | 69,285 | 412,095 | (536,177) | 7,611 |
| Inventories | — | 1,547 | 2,703 | 28,819 | — | 33,069 |
| Current deferred tax asset | — | 6,239 | 772 | 3,334 | — | 10,345 |
| Other current assets | 508 | 13,461 | 1,027 | 7,822 | (10,852) | 11,966 |
| | 508 | 84,167 | 105,327 | 455,542 | (547,029) | 98,515 |
| Property and Equipment (net) | 455,579 | 1,044 | 266,111 | 896,758 | — | 1,619,492 |
| Investment in Park | 518,819 | 661,251 | 118,385 | 40,481 | (1,338,936) | — |
| Intercompany Note Receivable | — | 93,845 | — | — | (93,845) | — |
| Goodwill | 9,061 | — | 123,210 | 111,219 | — | 243,490 |
| Other Intangibles, net | — | — | 17,448 | 22,825 | — | 40,273 |
| Deferred Tax Asset | — | 47,646 | — | — | (47,646) | — |
| Intercompany Receivable | 887,344 | 1,084,112 | 1,141,302 | — | (3,112,758) | — |
| Other Assets | 27,641 | 16,158 | 9,353 | 1,036 | — | 54,188 |
| | $1,898,952 | $1,988,223 | $1,781,136 | $1,527,861 | $(5,140,214) | $2,055,958 |
| LIABILITIES AND PARTNERS' EQUITY | | | | | | |
| Current Liabilities: | | | | | | |
| Current maturities of long-term debt | $15,921 | $15,921 | $15,921 | $— | $(31,842) | $15,921 |
| Accounts payable | 175,968 | 144,868 | 25,631 | 202,566 | (536,177) | 12,856 |
| Deferred revenue | — | — | 2,891 | 26,703 | — | 29,594 |
| Accrued interest | 198 | 131 | 15,433 | — | — | 15,762 |
| Accrued taxes | 3,909 | — | 7,374 | 15,577 | (10,852) | 16,008 |
| Accrued salaries, wages and benefits | — | 26,916 | 1,076 | 5,396 | — | 33,388 |
| Self-insurance reserves | — | 3,977 | 1,711 | 15,555 | — | 21,243 |
| Current derivative liability | — | — | 50,772 | — | — | 50,772 |
| Other accrued liabilities | 1,247 | 5,568 | 252 | 832 | — | 7,899 |
| | 197,243 | 197,381 | 121,061 | 266,629 | (578,871) | 203,443 |
| Deferred Tax Liability | — | — | 58,463 | 122,950 | (47,646) | 133,767 |
| Derivative Liability | 19,451 | 12,949 | — | — | — | 32,400 |
| Other Liabilities | — | 4,090 | — | — | — | 4,090 |
| Intercompany Note Payable | — | — | — | 93,845 | (93,845) | — |
| Long-Term Debt: | | | | | | |
| Term debt | 1,140,179 | 1,140,179 | 1,140,179 | — | (2,280,358) | 1,140,179 |
| Notes | 400,279 | 400,279 | 400,279 | — | (800,558) | 400,279 |
| | 1,540,458 | 1,540,458 | 1,540,458 | — | (3,080,916) | 1,540,458 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Equity | 141,800 | 233,345 | 61,154 | 1,044,437 | (1,338,936 ) | 141,800 |
| | $1,898,952 | $1,988,223 | $1,781,136 | $1,527,861 | $(5,140,214 ) | $2,055,958 |

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CEDAR FAIR, L.P.
CONDENSED CONSOLIDATING BALANCE SHEET
September 25, 2011
(In thousands)

| | Cedar Fair L.P. (Parent) | Co-Issuer Subsidiary (Magnum) | Co-Issuer Subsidiary (Cedar Canada) | Guarantor Subsidiaries | Eliminations | Total |
|---|---|---|---|---|---|---|
| ASSETS | | | | | | |
| Current Assets: | | | | | | |
| Cash and cash equivalents | $ 49,000 | $ 2,489 | $ 36,473 | $ 8,350 | $— | $96, |
| Receivables | 3 | 45,663 | 81,773 | 587,910 | (676,810 ) | 38,53 |
| Inventories | — | 1,684 | 2,951 | 32,311 | — | 36,94 |
| Current deferred tax asset | — | 1,686 | 779 | 3,409 | — | 5,874 |
| Other current assets | 875 | 2,091 | 774 | 5,559 | — | 9,299 |
| | 49,878 | 53,613 | 122,750 | 637,539 | (676,810 ) | 186,9 |
| Property and Equipment (net) | 455,663 | 1,055 | 257,802 | 900,759 | — | 1,615 |
| Investment in Park | 534,400 | 681,893 | 118,514 | 53,988 | (1,388,795 ) | — |
| Intercompany Note Receivable | — | 269,500 | — | — | (269,500 ) | — |
| Goodwill | 9,061 | — | 121,869 | 111,219 | — | 242, |
| Other Intangibles, net | — | — | 17,258 | 22,809 | — | 40,06 |
| Deferred Tax Asset | — | 49,845 | — | — | (49,845 ) | — |
| Intercompany Receivable | 887,219 | 1,083,987 | 1,141,302 | — | (3,112,508 ) | — |
| Other Assets | 28,962 | 16,884 | 9,616 | 1,160 | — | 56,62 |
| | $ 1,965,183 | $ 2,156,777 | $ 1,789,111 | $ 1,727,474 | $(5,497,458) | $2,14 |
| LIABILITIES AND PARTNERS' EQUITY | | | | | | |
| Current Liabilities: | | | | | | |
| Accounts payable | $ 189,887 | $ 281,605 | $ 27,488 | $ 206,288 | $(676,810 ) | $28,4 |
| Deferred revenue | — | — | 3,701 | 28,993 | — | 32,69 |
| Accrued interest | 6,115 | 1,364 | 6,489 | — | — | 13,96 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Accrued taxes | 5,189 | 23,550 | — | 4,354 | — | 33,09 |
| Accrued salaries, wages and benefits | — | 29,373 | 2,341 | 9,395 | — | 41,10 |
| Self-insurance reserves | — | 3,130 | 1,658 | 17,154 | — | 21,94 |
| Current derivative liability | 4,797 | — | 54,569 | — | — | 59,36 |
| Other accrued liabilities | 1,206 | 4,840 | 1,277 | 4,924 | — | 12,24 |

For For

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Makita Corp. | 6586 | J39584107 | 6/27/2018 | Approve Allocation of Income, with a Final Dividend of JPY 51 | Management | Yes | For | For |
| Makita Corp. | 6586 | J39584107 | 6/27/2018 | Approve Annual Bonus | Management | Yes | For | For |
| Daikin Industries Ltd. | 6367 | J10038115 | 6/28/2018 | Approve Allocation of Income, with a Final Dividend of JPY 75 | Management | Yes | For | For |
| Daikin Industries Ltd. | 6367 | J10038115 | 6/28/2018 | Elect Director Inoue, Noriyuki | Management | Yes | For | For |
| Daikin Industries Ltd. | 6367 | J10038115 | 6/28/2018 | Elect Director Togawa, Masanori | Management | Yes | For | For |
| Daikin Industries Ltd. | 6367 | J10038115 | 6/28/2018 | Elect Director Terada, Chiyono | Management | Yes | For | For |
| Daikin Industries Ltd. | 6367 | J10038115 | 6/28/2018 | Elect Director Kawada, Tatsuo | Management | Yes | For | For |
| Daikin Industries Ltd. | 6367 | J10038115 | 6/28/2018 | Elect Director Makino, Akiji | Management | Yes | For | For |
| Daikin Industries Ltd. | 6367 | J10038115 | 6/28/2018 | Elect Director Tayano, Ken | Management | Yes | For | For |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Daikin Industries Ltd. | 6367 | J10038115 | 6/28/2018 | Elect Director Minaka, Masatsugu | Management | Yes | For | For |
| Daikin Industries Ltd. | 6367 | J10038115 | 6/28/2018 | Elect Director Tomita, Jiro | Management | Yes | For | For |
| Daikin Industries Ltd. | 6367 | J10038115 | 6/28/2018 | Elect Director Fang Yuan | Management | Yes | For | For |
| Daikin Industries Ltd. | 6367 | J10038115 | 6/28/2018 | Elect Director Kanwal Jeet Jawa | Management | Yes | For | For |
| Daikin Industries Ltd. | 6367 | J10038115 | 6/28/2018 | Appoint Alternate Statutory Auditor Ono, Ichiro | Management | Yes | For | For |
| Fanuc Corp. | 6954 | J13440102 | 6/28/2018 | Approve Allocation of Income, with a Final Dividend of JPY 297.75 | Management | Yes | For | For |
| Fanuc Corp. | 6954 | J13440102 | 6/28/2018 | Elect Director Inaba, Yoshiharu | Management | Yes | For | For |
| Fanuc Corp. | 6954 | J13440102 | 6/28/2018 | Elect Director Yamaguchi, Kenji | Management | Yes | For | For |
| Fanuc Corp. | 6954 | J13440102 | 6/28/2018 | Elect Director Uchida, Hiroyuki | Management | Yes | For | For |
| Fanuc Corp. | 6954 | J13440102 | 6/28/2018 | Elect Director Gonda, Yoshihiro | Management | Yes | For | For |
| Fanuc Corp. | 6954 | J13440102 | 6/28/2018 | Elect Director Inaba, Kiyonori | Management | Yes | For | For |
| Fanuc Corp. | 6954 | J13440102 | 6/28/2018 | Elect Director Noda, Hiroshi | Management | Yes | For | For |
| Fanuc Corp. | 6954 | J13440102 | 6/28/2018 | Elect Director Kohari, Katsuo | Management | Yes | For | For |
| Fanuc Corp. | 6954 | J13440102 | 6/28/2018 | Elect Director Matsubara, Shunsuke | Management | Yes | For | For |
| Fanuc Corp. | 6954 | J13440102 | 6/28/2018 | Elect Director Okada, Toshiya | Management | Yes | For | For |
| Fanuc Corp. | 6954 | J13440102 | 6/28/2018 | Elect Director Richard E. Schneider | Management | Yes | For | For |
| Fanuc Corp. | 6954 | J13440102 | 6/28/2018 | Elect Director Tsukuda, Kazuo | Management | Yes | For | For |
| Fanuc Corp. | 6954 | J13440102 | 6/28/2018 | Elect Director Imai, Yasuo | Management | Yes | For | For |
| Fanuc Corp. | 6954 | J13440102 | 6/28/2018 | Elect Director Ono, Masato | Management | Yes | For | For |
| Fanuc Corp. | 6954 | J13440102 | 6/28/2018 | Appoint Statutory Auditor Sumikawa, Masaharu | Management | Yes | For | For |
| Kansai Paint Co. Ltd. | 4613 | J30255129 | 6/28/2018 | Approve Allocation of Income, with a Final Dividend of JPY 13.5 | Management | Yes | For | For |
| Kansai Paint Co. Ltd. | 4613 | J30255129 | 6/28/2018 | Elect Director Ishino, Hiroshi | Management | Yes | For | For |
| Kansai Paint Co. Ltd. | 4613 | J30255129 | 6/28/2018 | Elect Director Mori, Kunishi | Management | Yes | For | For |
| Kansai Paint Co. Ltd. | 4613 | J30255129 | 6/28/2018 | Elect Director Tanaka, Masaru | Management | Yes | For | For |
| Kansai Paint Co. Ltd. | 4613 | J30255129 | 6/28/2018 | Elect Director Kamikado, Koji | Management | Yes | For | For |
| Kansai Paint Co. Ltd. | 4613 | J30255129 | 6/28/2018 | Elect Director Furukawa, Hidenori | Management | Yes | For | For |
| Kansai Paint Co. Ltd. | 4613 | J30255129 | 6/28/2018 | Elect Director Seno, Jun | Management | Yes | For | For |
| Kansai Paint Co. Ltd. | 4613 | J30255129 | 6/28/2018 | Elect Director Asatsuma, Shinji | Management | Yes | For | For |
| Kansai Paint Co. Ltd. | 4613 | J30255129 | 6/28/2018 | Elect Director Harishchandra Meghraj Bharuka | Management | Yes | For | For |
| Kansai Paint Co. Ltd. | 4613 | J30255129 | 6/28/2018 | Elect Director Miyazaki, Yoko | Management | Yes | For | For |
| Kansai Paint Co. Ltd. | 4613 | J30255129 | 6/28/2018 | Elect Director Yoshikawa, Keiji | Management | Yes | For | For |
| Kansai Paint Co. Ltd. | 4613 | J30255129 | 6/28/2018 | Appoint Alternate Statutory Auditor Nakai, Hiroe | Management | Yes | For | For |
| Resorttrust Inc. | 4681 | J6448M108 | 6/28/2018 | Approve Allocation of Income, with a Final Dividend of JPY 23 | Management | Yes | For | For |
| Resorttrust Inc. | 4681 | J6448M108 | 6/28/2018 | Elect Director Ito, Yoshiro | Management | Yes | For | For |
| Resorttrust Inc. | 4681 | J6448M108 | 6/28/2018 | Elect Director Ito, Katsuyasu | Management | Yes | For | For |
| Resorttrust Inc. | 4681 | J6448M108 | 6/28/2018 | Elect Director Fushimi, Ariyoshi | Management | Yes | For | For |
| Resorttrust Inc. | 4681 | J6448M108 | 6/28/2018 | Elect Director Ito, Masaaki | Management | Yes | For | For |
| Resorttrust Inc. | 4681 | J6448M108 | 6/28/2018 | Elect Director Iuchi, Katsuyuki | Management | Yes | For | For |
| Resorttrust Inc. | 4681 | J6448M108 | 6/28/2018 | Elect Director Shintani, Atsuyuki | Management | Yes | For | For |
| Resorttrust Inc. | 4681 | J6448M108 | 6/28/2018 | Elect Director Uchiyama, Toshihiko | Management | Yes | For | For |
| Resorttrust Inc. | 4681 | J6448M108 | 6/28/2018 | Elect Director Takagi, Naoshi | Management | Yes | For | For |
| Resorttrust Inc. | 4681 | J6448M108 | 6/28/2018 | Elect Director Ogino, Shigetoshi | Management | Yes | For | For |
| Resorttrust Inc. | 4681 | J6448M108 | 6/28/2018 | Elect Director Furukawa, Tetsuya | Management | Yes | For | For |
| Resorttrust Inc. | 4681 | J6448M108 | 6/28/2018 | Elect Director Kawaguchi, Masahiro | Management | Yes | For | For |
| Resorttrust Inc. | 4681 | J6448M108 | 6/28/2018 | Elect Director Nonaka, Tomoyo | Management | Yes | For | For |
| Resorttrust Inc. | 4681 | J6448M108 | 6/28/2018 | Elect Director Hanada, Shinichiro | Management | Yes | For | For |
| Resorttrust Inc. | 4681 | J6448M108 | 6/28/2018 | Elect Director Terazawa, Asako | Management | Yes | For | For |
| Resorttrust Inc. | 4681 | J6448M108 | 6/28/2018 | Approve Director Retirement Bonus | Management | Yes | For | For |
| Shin-Etsu Chemical Co. Ltd. | 4063 | J72810120 | 6/28/2018 | Approve Allocation of Income, with a Final Dividend of JPY 75 | Management | Yes | Against | Against |
| Shin-Etsu Chemical Co. Ltd. | 4063 | J72810120 | 6/28/2018 | Elect Director Kanagawa, Chihiro | Management | Yes | Against | Against |
| Shin-Etsu Chemical Co. Ltd. | 4063 | J72810120 | 6/28/2018 | Elect Director Akiya, Fumio | Management | Yes | Against | Against |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Shin-Etsu Chemical Co. Ltd. | 4063 | J72810120 | 6/28/2018 | Elect Director Todoroki, Masahiko | Management | Yes | Against | Against |
| Shin-Etsu Chemical Co. Ltd. | 4063 | J72810120 | 6/28/2018 | Elect Director Akimoto, Toshiya | Management | Yes | Against | Against |
| Shin-Etsu Chemical Co. Ltd. | 4063 | J72810120 | 6/28/2018 | Elect Director Arai, Fumio | Management | Yes | Against | Against |
| Shin-Etsu Chemical Co. Ltd. | 4063 | J72810120 | 6/28/2018 | Elect Director Mori, Shunzo | Management | Yes | Against | Against |
| Shin-Etsu Chemical Co. Ltd. | 4063 | J72810120 | 6/28/2018 | Elect Director Komiyama, Hiroshi | Management | Yes | Against | Against |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Shin-Etsu Chemical Co. Ltd. | 4063 | J72810120 | 6/28/2018 | Elect Director Ikegami, Kenji | Management | Yes | Against | Against |
| Shin-Etsu Chemical Co. Ltd. | 4063 | J72810120 | 6/28/2018 | Elect Director Shiobara, Toshio | Management | Yes | Against | Against |
| Shin-Etsu Chemical Co. Ltd. | 4063 | J72810120 | 6/28/2018 | Elect Director Takahashi, Yoshimitsu | Management | Yes | Against | Against |
| Shin-Etsu Chemical Co. Ltd. | 4063 | J72810120 | 6/28/2018 | Elect Director Yasuoka, Kai | Management | Yes | Against | Against |
| Shin-Etsu Chemical Co. Ltd. | 4063 | J72810120 | 6/28/2018 | Appoint Statutory Auditor Kosaka, Yoshihito | Management | Yes | For | For |
| Shin-Etsu Chemical Co. Ltd. | 4063 | J72810120 | 6/28/2018 | Approve Stock Option Plan | Management | Yes | For | For |
| Suruga Bank Ltd. | 8358 | J78400108 | 6/28/2018 | Elect Director Okano, Mitsuyoshi | Management | Yes | Against | Against |
| Suruga Bank Ltd. | 8358 | J78400108 | 6/28/2018 | Elect Director Yoneyama, Akihiro | Management | Yes | Against | Against |
| Suruga Bank Ltd. | 8358 | J78400108 | 6/28/2018 | Elect Director Shirai, Toshihiko | Management | Yes | Against | Against |
| Suruga Bank Ltd. | 8358 | J78400108 | 6/28/2018 | Elect Director Mochizuki, Kazuya | Management | Yes | For | For |
| Suruga Bank Ltd. | 8358 | J78400108 | 6/28/2018 | Elect Director Yanagisawa, Nobuaki | Management | Yes | For | For |
| Suruga Bank Ltd. | 8358 | J78400108 | 6/28/2018 | Elect Director Yagi, Takeshi | Management | Yes | For | For |
| Suruga Bank Ltd. | 8358 | J78400108 | 6/28/2018 | Elect Director Arikuni, Michio | Management | Yes | For | For |
| Suruga Bank Ltd. | 8358 | J78400108 | 6/28/2018 | Elect Director Ando, Yoshinori | Management | Yes | For | For |
| Suruga Bank Ltd. | 8358 | J78400108 | 6/28/2018 | Elect Director Kinoshita, Shione | Management | Yes | For | For |
| Suruga Bank Ltd. | 8358 | J78400108 | 6/28/2018 | Elect Director Kawahara, Shigeharu | Management | Yes | For | For |
| Suruga Bank Ltd. | 8358 | J78400108 | 6/28/2018 | Elect Director Nagano, Satoshi | Management | Yes | For | For |
| Suruga Bank Ltd. | 8358 | J78400108 | 6/28/2018 | Appoint Statutory Auditor Noge, Emi | Management | Yes | For | For |
| Suruga Bank Ltd. | 8358 | J78400108 | 6/28/2018 | Appoint Statutory Auditor Namekata, Yoichi | Management | Yes | For | For |

**SIGNATURES**

Pursuant to the requirements of the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Registrant: Aberdeen Japan Equity Fund, Inc.

By (Signature and Title): *s/Alan Goodson*
Alan Goodson
President

Date: August 20, 2018