

Thursday 12 August 2010: For immediate release

HOLIDAYBREAK PLC

Interim Management Statement

Holidaybreak, the education, leisure and activity travel group, today releases its interim management statement for the period from 31 March 2010 to 11 August 2010.

With the summer season well advanced, Holidaybreak is performing in line with management expectations. The Group continues to deliver industry leading margins and is cash generative. The Board remains confident of delivering a good financial performance for the year.

Martin Davies, Group Chief Executive, said:

“Given overall economic conditions, I am very encouraged by the resilience and financial performance of our business. Particularly pleasing is the performance of our PGL UK outdoor education centres which are showing revenue growth of 8% year on year and are 76% booked for the 2010/11 season.”

“We remain focused on cash generation and cost control whilst continuing to ensure that we invest sensibly in the business. Since becoming Chief Executive in April, I have been working closely with all parts of the business. I am looking forward in the coming months to communicating our plans to enhance the Group’s prospects for profitable growth.”

Operational Summary

Group sales intake is down 1% compared with last year; demand in the Netherlands has been weaker than expected. On a divisional basis:

- Education sales intake is level with last year with PGL UK outdoor education centres performing very strongly (up 8%). The school tours business is down 5% although it is achieving improvements in gross margin. For 2010/11, the Education Division is already 52% booked;
- Hotel Breaks sales intake is 4% below last year. Despite the challenging market conditions there have been encouraging signs of recovery in recent weeks;
- Adventure Travel sales intake is currently level with last year. Sales intake for 2010/11 is an encouraging 11% up, evidencing signs of recovery in the adventure travel market;
- Camping sales intake is level with last year on 8% lower capacity. The division was affected by flooding in the Cote d’Azur last month with a loss of 74 mobile-homes. We are not insured against loss or damage arising from severe weather conditions as such insurance is not available at commercially sensible rates. This recent incident could impact the division’s full year profits by approximately £1.2m, due to a write-off of assets (£0.6m) and lost revenue in the period following the flooding.

There has been no significant change in the Group's financial position since the Interim Results Statement in May 2010. The normal working capital cycle of the Group's businesses is unchanged.

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Notes to Editors

1. Holidaybreak (HBR.L) is an education, leisure and activity travel group listed on the London Stock Exchange. The Group's four operating divisions have market leading positions in the UK and other major European markets, organising educational and activity trips for UK school children, short breaks in the UK and Europe, worldwide adventure holidays and mobile-home and camping holidays on sites throughout Europe. For more information, please go to www.holidaybreak.co.uk.
2. This information in this release is based on management information.
3. Certain statements in this announcement are forward-looking statements. Such statements are based on current expectations and by their nature are subject to a number of risks and uncertainties that could cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statement. These forward-looking statements are made only as at the date of this announcement. Except as required by law, Holidaybreak plc has no responsibility or obligation to update publicly or revise any of the forward-looking statements contained herein.