CEDAR FAIR L P
Form 10-Q
May 01, 2015
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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 March 29, 2015
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.

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 April 24, 2015
Units Representing Limited Partner Interests	55,959,830

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

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

	3/29/2015	12/31/2014	3/30/2014
ASSETS			
Current Assets:			
Cash and cash equivalents	$19,725	$131,840	$8,867
Receivables	24,125	27,395	19,630
Inventories	37,369	25,883	38,264
Current deferred tax asset	40,827	9,265	26,653
Prepaid advertising	18,268	1,548	20,101
Other current assets	8,759	7,786	9,919
	149,073	203,717	123,434
Property and Equipment:			
Land	270,244	276,297	279,992
Land improvements	370,315	366,863	349,245
Buildings	595,688	599,907	581,525
Rides and equipment	1,540,227	1,535,705	1,485,418
Construction in progress	85,146	70,431	85,854
	2,861,620	2,849,203	2,782,034
Less accumulated depreciation	(1,303,356)	(1,322,652)	(1,248,072)
	1,558,264	1,526,551	1,533,962
Goodwill	219,883	228,291	233,528
Other Intangibles, net	36,983	38,191	38,920
Other Assets	41,698	41,569	43,391
	$2,005,901	$2,038,319	$1,973,235
LIABILITIES AND PARTNERS’ EQUITY			
Current Liabilities:			
Current maturities of long-term debt	$—	$—	$1,450
Accounts payable	38,265	23,933	45,028
Deferred revenue	92,664	61,161	70,148
Accrued interest	12,056	9,916	10,073
Accrued taxes	10,159	21,800	6,452
Accrued salaries, wages and benefits	26,111	34,102	24,519
Self-insurance reserves	22,785	23,377	22,696
Current derivative liability	9,989	11,791	—
Other accrued liabilities	11,486	12,139	4,896
	223,515	198,219	185,262
Deferred Tax Liability	153,125	152,513	157,281
Derivative Liability	19,252	14,649	27,789
Other Liabilities	15,351	17,871	7,755
Long-Term Debt:			
Revolving credit loans	57,000	—	55,000
Term debt	608,850	608,850	617,400
Notes	950,000	950,000	901,957

	1,615,850	1,558,850	1,574,357
Commitments and Contingencies (Note 10)			
Partners' Equity:			
Special L.P. interests	5,290	5,290	5,290
General partner	—	1	1
Limited partners, 55,952, 55,828 and 55,835 units outstanding at March 29, 2015, December 31, 2014 and March 30, 2014, respectively	(20,627)	101,556	29,537
Accumulated other comprehensive loss	(5,855)	(10,630)	(14,037)
	(21,192)	96,217	20,791
	$2,005,901	$2,038,319	$1,973,235

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 LOSS
(In thousands, except per unit amounts)

	Three months ended	
	3/29/2015	3/30/2014
Net revenues:		
Admissions	$22,783	$19,067
Food, merchandise and games	17,944	16,386
Accommodations, extra-charge products and other	6,090	5,013
	46,817	40,466
Costs and expenses:		
Cost of food, merchandise, and games revenues	5,588	4,985
Operating expenses	78,130	80,350
Selling, general and administrative	25,818	21,404
Depreciation and amortization	4,011	4,307
Loss on impairment / retirement of fixed assets, net	2,903	997
	116,450	112,043
Operating loss	(69,633)	(71,577)
Interest expense	20,532	24,732
Net effect of swaps	(116)	371
Unrealized/realized foreign currency loss	38,218	17,184
Interest income	(40)	(73)
Loss before taxes	(128,227)	(113,791)
Benefit for taxes	(44,394)	(30,251)
Net loss	(83,833)	(83,540)
Net loss allocated to general partner	(1)	(1)
Net loss allocated to limited partners	$(83,832)	$(83,539)
Net loss	$(83,833)	$(83,540)
Other comprehensive income (loss), (net of tax):		
Cumulative foreign currency translation adjustment	7,214	1,621
Unrealized loss on cash flow hedging derivatives	(2,439)	(650)
Other comprehensive income, (net of tax)	4,775	971
Total comprehensive loss	$(79,058)	$(82,569)
Basic loss per limited partner unit:		
Weighted average limited partner units outstanding	55,820	55,500
Net loss per limited partner unit	$(1.50)	$(1.51)
Diluted loss per limited partner unit:		
Weighted average limited partner units outstanding	55,820	55,500
Net loss per limited partner unit	$(1.50)	$(1.51)

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 STATEMENT OF PARTNERS' EQUITY
FOR THE THREE MONTHS ENDED MARCH 29, 2015
(In thousands)

	Three months ended 3/29/15
Limited Partnership Units Outstanding	
Beginning balance	55,828
Limited partnership unit options exercised	8
Limited partnership unit forfeitures	(1)
Issuance of limited partnership units as compensation	117
	55,952
Limited Partners' Equity	
Beginning balance	$101,556
Net loss	(83,832)
Partnership distribution declared ($0.75 per limited partnership unit)	(42,052)
Expense recognized for limited partnership unit options	223
Tax effect of units involved in option exercises and treasury unit transactions	(1,299)
Issuance of limited partnership units as compensation	4,777
	(20,627)
General Partner's Equity	
Beginning balance	1
Net loss	(1)
	—
Special L.P. Interests	5,290
Accumulated Other Comprehensive Income (Loss)	
Cumulative foreign currency translation adjustment:	
Beginning balance	5,936
Current period activity, net of tax ($4,147)	7,214
	13,150
Unrealized loss on cash flow hedging derivatives:	
Beginning balance	(16,566)
Current period activity, net of tax $477	(2,439)
	(19,005)
	(5,855)
Total Partners' Equity	$(21,192)

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)

	Three months ended	
	3/29/2015	3/30/2014
CASH FLOWS FOR OPERATING ACTIVITIES		
Net loss	$(83,833)	(83,540)
Adjustments to reconcile net loss to net cash for operating activities:		
Depreciation and amortization	4,011	4,307
Loss on impairment / retirement of fixed assets, net	2,903	997
Net effect of swaps	(116)	371
Non-cash expense	44,277	21,546
Net change in working capital	(25,208)	(6,338)
Net change in other assets/liabilities	(2,283)	(20,599)
Net cash for operating activities	(60,249)	(83,256)
CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of preferred equity investment	(2,000)	—
Capital expenditures	(59,730)	(40,342)
Net cash for investing activities	(61,730)	(40,342)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net borrowings on revolving credit loans	57,000	55,000
Distributions paid to partners	(42,052)	(39,091)
Excess tax benefit from unit-based compensation expense	(1,299)	(568)
Net cash for financing activities	13,649	15,341
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(3,785)	(932)
CASH AND CASH EQUIVALENTS		
Net decrease for the period	(112,115)	(109,189)
Balance, beginning of period	131,840	118,056
Balance, end of period	$19,725	$8,867
SUPPLEMENTAL INFORMATION		
Cash payments for interest expense	$18,343	$36,966
Interest capitalized	945	406
Cash payments for income taxes, net of refunds	297	605
Capital expenditures in accounts payable	8,187	6,850

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

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CEDAR FAIR, L.P.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIODS ENDED MARCH 29, 2015 AND MARCH 30, 2014

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 (consisting of normal recurring 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 seasonal nature of the Partnership's amusement and water park operations, the results for any interim period may not indicative of the results expected for the full fiscal year.

(1) Significant Accounting and Reporting Policies:
The Partnership’s unaudited condensed consolidated financial statements for the periods ended March 29, 2015 and March 30, 2014 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, 2014, which were included in the Form 10-K filed on February 26, 2015. 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.
New Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update No. 2014-09, Revenue from Contracts with Customers ("ASU 2014-09"). The amendments in ASU 2014-09 provide for a single, principles-based model for revenue recognition that replaces the existing revenue recognition guidance. ASU 2014-09 is effective for annual and interim periods beginning on or after December 15, 2016 and will replace most existing revenue recognition guidance under U.S. GAAP when it becomes effective. It permits the use of either a retrospective or cumulative effect transition method and early adoption is not permitted. The Partnership has not yet selected a transition method and is in the process of evaluating the effect this standard will have on the consolidated financial statements and related disclosures.

(2) Interim Reporting:
The Partnership owns and operates eleven amusement parks, three 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. Knott's Berry Farm is open daily on a year-round basis. Castaway Bay is generally open daily from Memorial Day to Labor Day, plus a limited daily schedule for the balance of the year.
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-use tickets are recognized over the estimated number of visits expected for each type of ticket and are adjusted periodically during the operating season prior to the ticket expiration, which occurs no later than the close of the operating season or December 31 each year, (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,

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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.

The Partnership estimates fair value of operating assets using an income, market, and/or cost approach. The income approach 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.

(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. As of March 29, 2015, there were no indicators of impairment. The Partnership's annual testing date is December 31. The Partnership tested goodwill and other indefinite-lived intangibles for impairment on December 31, 2014 and no impairment was indicated.
A summary of changes in the Partnership’s carrying value of goodwill for the three months ended March 29, 2015 and March 30, 2014 is as follows:

(In thousands)	Goodwill (gross)	Accumulated Impairment Losses	Goodwill (net)
Balance at December 31, 2013	$317,957	$(79,868)	$238,089
Foreign currency translation	(4,561)	—	(4,561)
Balance at March 30, 2014	$313,396	$(79,868)	$233,528
Balance at December 31, 2014	$308,159	$(79,868)	$228,291
Foreign currency translation	(8,408)	—	(8,408)
Balance at March 29, 2015	$299,751	$(79,868)	$219,883

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At March 29, 2015, December 31, 2014, and March 30, 2014 the Partnership’s other intangible assets consisted of the following:

March 29, 2015	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value
(In thousands)			
Other intangible assets:			
Trade names	$36,492	$—	$36,492
License / franchise agreements	816	325	491
Total other intangible assets	$37,308	$325	$36,983
December 31, 2014			
(In thousands)			
Other intangible assets:			
Trade names	$37,683	$—	$37,683
License / franchise agreements	818	310	508
Total other intangible assets	$38,501	$310	$38,191
March 30, 2014			
(In thousands)			
Other intangible assets:			
Trade names	$38,424	$—	$38,424
License / franchise agreements	881	385	496
Total other intangible assets	$39,305	$385	$38,920

Amortization expense of other intangible assets is expected to be immaterial going forward.

(5) Long-Term Debt:

In June of 2014, the Partnership issued $450 million of 5.375% senior unsecured notes ("June 2014 notes"), maturing in 2024, in a private placement. The net proceeds from the offering of the June 2014 notes were used to redeem in full all of the Partnership’s $405 million of 9.125% July 2010 senior unsecured notes that were scheduled to mature in 2018 (and which included $5.6 million of Original Issue Discount ("OID") to yield 9.375%), to satisfy and discharge the indenture governing the notes that were redeemed and for general corporate purposes.

The Partnership's June 2014 notes pay interest semi-annually in June and December, with the principal due in full on June 1, 2024. The notes may be redeemed, in whole or in part, at any time prior to June 1, 2019 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 June 1, 2017, up to 35% of the notes may be redeemed with the net cash proceeds of certain equity offerings at a price equal to 105.375% together with accrued and unpaid interest.

In March 2013, the Partnership issued $500 million of 5.25% senior unsecured notes ("March 2013 notes"), maturing in 2021, in a private placement. Concurrently with this offering, the Partnership entered into a new $885 million credit agreement (the "2013 Credit Agreement"), which included a $630 million senior secured term loan facility and a $255 million senior secured revolving credit facility. The terms of the senior secured term loan facility include a maturity date of March 6, 2020 and bear interest at a rate of LIBOR ("London InterBank Offering Rate") plus 250 bps with a LIBOR floor of 75 bps. The term loan amortizes at $6.3 million annually and allows interest to be paid on a 30-, 60-, or 90-day basis. The Partnership is currently paying interest on a 30-day basis. The net proceeds from the notes and borrowings under the 2013 Credit Agreement were used to repay in full all amounts outstanding under the previous credit facilities. The facilities provided under the 2013 Credit Agreement are collateralized by substantially all of the assets of the Partnership.

Terms of the 2013 Credit Agreement include a revolving credit facility of a combined $255 million. Under the 2013 Credit Agreement, the Canadian portion of the revolving credit facility has a sub-limit of $15 million. U.S. denominated and Canadian denominated loans made under the revolving credit facility bear interest at a rate of LIBOR plus 225 bps (with no LIBOR floor). The revolving credit facility is scheduled to mature in March 2018 and also provides for the issuance of documentary and standby letters of credit. The 2013 Credit Agreement requires the Partnership to pay a commitment fee of 38 bps per annum on the unused portion of the credit facilities.

The 2013 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 restrictive of these ratios is the Consolidated Leverage Ratio which is measured quarterly on a trailing-twelve month basis. At the end of the first quarter of 2015, this ratio was set at 6.00x consolidated total debt (excluding the revolving debt)-to-consolidated EBITDA. The ratio will decrease by 0.25x each second quarter until it reaches 5.25x. Based on our trailing-twelve-month results ending March 29, 2015, we were in compliance with this ratio and all other covenants under the 2013 Credit Agreement as of March 29, 2015.

The Partnership is allowed to make Restricted Payments, as defined in the 2013 Credit Agreement, of up to $60 million annually, so long as no default or event of default has occurred and is continuing and so long as the Partnership would be in compliance with certain financial ratios after giving effect to the payments. 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 5.00x. Pursuant to the terms of the indentures governing the Partnership's June 2014 and March 2013 notes, the Partnership can make Restricted Payments of $60 million annually so long as no default or event of default has occurred and is continuing, and our ability to make additional Restricted Payments in 2015 and beyond is permitted should the Partnership's pro forma trailing-twelve-month Total-Indebtedness-to-Consolidated-Cash-Flow Ratio be less than or equal to 5.00x.

The Partnership's March 2013 notes pay interest semi-annually in March and September, with the principal due in full on March 15, 2021. The notes may be redeemed, in whole or in part, at any time prior to March 15, 2016 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 March 15, 2016, up to 35% of the notes may be redeemed with the net cash proceeds of certain equity offerings at a price equal to 105.25% together with accrued and unpaid interest.

As market conditions warrant, the Partnership may from time to time repurchase debt securities issued by the Partnership, in privately negotiated or open market transactions, by tender offer, exchange offer or otherwise.

(6) Derivative Financial Instruments:
Derivative financial instruments are used within the Partnership's overall risk management program to manage certain interest rate and foreign currency risks. By utilizing a derivative instrument to hedge our exposure to LIBOR rate changes, the Partnership is exposed to credit risk. Credit risk is the failure of the counterparty to perform under the terms of the derivative contract. To mitigate this risk, hedging instruments are placed with a counterparty that the Partnership believes poses minimal credit risk.
The Partnership does not use derivative financial instruments for trading purposes.
We have entered into several interest rate swaps that fix all of our variable rate term-debt payments. As of March 29, 2015, we have $800 million of variable-rate debt to fixed rates swaps that mature in December 2015 and fix LIBOR at a weighted average rate of 2.38%. These swaps have been de-designated as cash flow hedges. During the third quarter and fourth quarter of 2013, we entered into four forward-starting interest rate swap agreements that will effectively convert $500 million of variable-rate debt to fixed rates beginning in December of 2015. These swaps, which were designated as cash flow hedges, mature on December 31, 2018 and fix LIBOR at a weighted average rate of 2.94%.

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Fair Value of Derivative Instruments and the Classification in Condensed Consolidated Balance Sheet:

(In thousands)	Condensed Consolidated Balance Sheet Location	Fair Value as of March 29, 2015	Fair Value as of December 31, 2014	Fair Value as of March 30, 2014
Derivatives designated as hedging instruments:				
Interest rate swaps	Derivative Liability	$(19,252)	$(14,649)	$(6,657)
Total derivatives designated as hedging instruments		$(19,252)	$(14,649)	$(6,657)
Derivatives not designated as hedging instruments:				
Interest rate swaps	Current Derivative Liability	$(9,989)	$(11,791)	$—
Interest rate swaps	Derivative Liability	$—	$—	$(21,132)
Total derivatives not designated as hedging instruments		$(9,989)	$(11,791)	$(21,132)
Net derivative liability		$(29,241)	$(26,440)	$(27,789)

Derivatives Designated as Hedging Instruments

Changes in fair value of highly effective hedges are recorded as a component of accumulated other comprehensive loss in the unaudited condensed consolidated balance sheets. Any ineffectiveness is recognized immediately in income. Amounts recorded as a component of accumulated other comprehensive loss are reclassified into earnings in the same period the forecasted transactions affect earnings. As of March 29, 2015 we have no amounts that are forecasted to be reclassified into earnings in the next twelve months.

Derivatives Not Designated as Hedging Instruments

Certain interest rate swap contracts were deemed ineffective in prior years and no longer qualified for hedge accounting. As a result of discontinued hedge accounting, the instruments are prospectively adjusted to fair value each reporting period through "Net effect of swaps" on the unaudited condensed consolidated statements of operations and comprehensive income. The amounts that were previously recorded as a component of accumulated other comprehensive loss prior to the de-designation are reclassified to earnings and a corresponding realized gain or loss will be recognized when the forecasted cash flow occurs. As of March 29, 2015, approximately $3.2 million of losses remain in accumulated comprehensive loss related to the effective cash flow hedge contracts prior to de-designation and all of which will be reclassified to earnings within the next 12 months.

The following table presents our derivative portfolio along with their notional amounts and their fixed interest rates as of March 29, 2015.

	Interest Rate Swaps			
($'s in thousands)	Derivatives designated as hedging instruments		Derivatives not designated as hedging instruments	
	Notional Amounts	Fixed Rate	Notional Amounts	Fixed Rate
	$200,000	3.00 %	$200,000	2.27 %
	100,000	3.00 %	150,000	2.43 %
	100,000	3.00 %	75,000	2.30 %
	100,000	2.70 %	70,000	2.54 %
			50,000	2.54 %
			50,000	2.54 %
			50,000	2.43 %
			50,000	2.29 %
			50,000	2.29 %
			30,000	2.54 %

				25,000	2.30	%
Total $'s / Average Rate	$500,000	2.94	%	$800,000	2.38	%

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Effects of Derivative Instruments on Income (Loss) and Other Comprehensive Income (Loss) for the three-month periods ended March 29, 2015 and March 30, 2014:

(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 3/29/15	Three months ended 3/30/14		Three months ended 3/29/15	Three months ended 3/30/14		Three months ended 3/29/15	Three months ended 3/30/14
Interest rate swaps	$(4,602)	$(2,742)	Interest Expense	$—	$—	Net effect of swaps	$—	$—

(In thousands)	Amount and Location of Gain (Loss) Recognized in Income on Derivative		
Derivatives not designated as Cash Flow Hedging Relationships		Three months ended 3/29/15	Three months ended 3/30/14
Interest rate swaps	Net effect of swaps	$1,802	$1,617

During the quarter ended March 29, 2015, the Partnership recognized $1.8 million in income for the gain on the derivatives not designated as cash flow hedges and $1.7 million of expense representing the regular amortization of amounts in AOCI. The effect of these amounts resulted in a benefit to earnings of $0.1 million recorded in “Net effect of swaps.”

During the quarter ended March 30, 2014, the Partnership recognized $1.6 million in income for the gain on the derivatives not designated as cash flow hedges and $2.0 million of expense representing the amortization of amounts in AOCI. The effect of these amounts resulted in a charge to earnings of $0.4 million recorded in “Net effect of swaps.”

(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 March 29, 2015, December 31, 2014, and March 30, 2014 on a recurring basis:

	Total	Level 1	Level 2	Level 3
March 29, 2015				
(In thousands)				
Interest rate swap agreements [1]	$(19,252)	$—	$(19,252)	$—
Interest rate swap agreements [2]	(9,989)	—	(9,989)	—
Net derivative liability	$(29,241)	$—	$(29,241)	$—
December 31, 2014				
Interest rate swap agreements [1]	$(14,649)	$—	$(14,649)	$—
Interest rate swap agreements [2]	$(11,791)	$—	$(11,791)	$—
Net derivative liability	$(26,440)	$—	$(26,440)	$—
March 30, 2014				
Interest rate swap agreements [1]	$(6,657)	$—	$(6,657)	$—
Interest rate swap agreements [3]	$(21,132)	$—	$(21,132)	$—
Net derivative liability	$(27,789)	$—	$(27,789)	$—

(1) Designated as cash flow hedges and are included in “Derivative Liability” on the Unaudited Condensed Consolidated Balance Sheet

(2) Not designated as cash flow hedges and are included in "Current Derivative Liability" on the Unaudited Condensed Consolidated Balance Sheet

(3) Not designated as cash flow hedges and are included in "Derivative Liability" on the Unaudited Condensed Consolidated Balance Sheet

Fair values of the interest rate swap agreements are determined using significant inputs, including the LIBOR forward curves, which 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 $0.9 million as of March 29, 2015.

The carrying value of cash and cash equivalents, revolver, accounts receivable, accounts payable, and accrued liabilities approximates fair value because of the short maturity of these instruments.

There were no assets measured at fair value on a non-recurring basis at March 29, 2015, December 31, 2014, or March 30, 2014.

The fair value of term debt at March 29, 2015 was approximately $610.4 million as compared to $605.8 million and $618.9 million December 31, 2014 and March 30, 2014, respectively, based on borrowing rates available to the Partnership as of those dates on long-term debt with similar terms and average maturities. The fair value of the Partnership's notes at March 29, 2015 was approximately $973.9 million as compared to $952.4 million and $938.6 million at December 31, 2014 and March 30, 2014, respectively, based on public trading levels as of those dates. The fair value of the term debt outstanding for all disclosed periods and the June 2014 notes at March 29, 2015 and December 31, 2014, was based on Level 2 inputs. The fair value of the July 2010 notes outstanding at March 30, 2014, and the March 2013 notes outstanding at March 29, 2015 and December 31, 2014, respectively, was based on Level 1 inputs.

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

	Three months ended	
	3/29/2015	3/30/2014
	(In thousands except per unit amounts)	
Basic weighted average units outstanding	55,820	55,500
Diluted weighted average units outstanding	55,820	55,500
Net loss per unit - basic	$(1.50)	$(1.51)
Net loss per unit - diluted	$(1.50)	$(1.51)

The effect of out-of-the-money and/or antidilutive unit options on the three months ended March 29, 2015 and March 30, 2014, respectively, had they not been out of the money or antidilutive, would have been immaterial in all periods presented.

(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. In addition to income taxes on its corporate subsidiaries, the Partnership is subject to 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.
As of the first quarter of 2015 the Partnership has recorded $1.2 million of 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, beyond what has been disclosed within this document, are expected to have a material effect in the aggregate on the Partnership's financial statements.

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(11) Changes in Accumulated Other Comprehensive Income (Loss) by Component:
The following tables reflect the changes in Accumulated Other Comprehensive Income (Loss) related to limited partners' equity for the three-month periods ended March 29, 2015 and March 30, 2014:

Changes in Accumulated Other Comprehensive Income by Component [1]
(In thousands)

	Gains and Losses on Cash Flow Hedges	Foreign Currency Items	Total
Balance at December 31, 2014	$(16,566)	$5,936	$(10,630)
Other comprehensive income before reclassifications, net of tax $701 and ($4,147), respectively	(3,901)	7,214	3,313
Amounts reclassified from accumulated other comprehensive income, net of tax ($224) [2]	1,462	—	1,462
Net other comprehensive income	(2,439)	7,214	4,775
Balance at March 29, 2015	$(19,005)	$13,150	$(5,855)

Changes in Accumulated Other Comprehensive Income by Component [1]
(In thousands)

	Gains and Losses on Cash Flow Hedges	Foreign Currency Items	Total
Balance at December 31, 2013	$(15,013)	$5	$(15,008)
Other comprehensive income before reclassifications, net of tax $413 and ($932), respectively	(2,328)	1,621	(707)
Amounts reclassified from accumulated other comprehensive income, net of tax ($307) [2]	1,678	—	1,678
Net other comprehensive income	(650)	1,621	971
Balance at March 30, 2014	$(15,663)	$1,626	$(14,037)

Reclassifications Out of Accumulated Other Comprehensive Income [1]
(In thousands)

Details about Accumulated Other Comprehensive Income Components	Amount Reclassified from Accumulated Other Comprehensive Income	Affected Line Item in the Statement Where Net Income is

Gains and losses on cash flow hedges	Three months ended 3/29/15	Three months ended 3/30/14	Presented
Interest rate contracts	$1,686	$1,985	Net effect of swaps
Benefit for taxes	(224)	(307)	Benefit for taxes
	$1,462	$1,678	

(1) All amounts are net of tax. Amounts in parentheses indicate debits.
(2) See Reclassifications Out of Accumulated Other Comprehensive Income table below for reclassification details.

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(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 June 2014 and March 2013 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 March 29, 2015, December 31, 2014, and March 30, 2014 and for the three month periods ended March 29, 2015 and March 30, 2014. In lieu of providing separate unaudited financial statements for the guarantor subsidiaries, the Partnership has included the accompanying condensed consolidating financial statements.

The Unaudited Condensed Consolidating Statements of Cash Flows for the three month period ended March 30, 2014 has been revised to correct the presentation of certain intercompany transactions previously recorded as cash flows from operating activities. A summary of the changes are below:

Condensed Consolidating Statements of Cash Flows
For the Three Month Period Ended March 30, 2014

(In thousands)	Cedar Fair L.P. (Parent)	Co-Issuer Subsidiary (Magnum)	Co-Issuer Subsidiary (Cedar Canada)	Guarantor Subsidiaries	Eliminations	Total
As reported - Net cash from (for) operating activities	$(73,627)	$(3,001)	$(26,042)	$20,317	$(903)	$(83,256)
Intercompany receivables (payments) receipts	—	23,497	—	(29,591)	6,094	—
Intercompany payables (payments) receipts	67,320	(46,917)	(1,201)	(13,108)	(6,094)	—
As corrected - Net cash from (for) operating activities	$(6,307)	$(26,421)	$(27,243)	$(22,382)	$(903)	$(83,256)
As reported - Net cash from (for) investing activities	$(16,379)	$(4)	$(5,077)	$(18,882)	$—	$(40,342)
Intercompany receivables (payments) receipts	—	(23,497)	—	29,591	(6,094)	—
As corrected - Net cash from (for) investing activities	$(16,379)	$(23,501)	$(5,077)	$10,709	$(6,094)	$(40,342)
As reported - Net cash from (for) financing activities	$15,006	$(568)	$—	$—	$903	$15,341
Intercompany payables (payments) receipts	(67,320)	46,917	1,201	13,108	6,094	—
As corrected - Net cash from (for) financing activities	$(52,314)	$46,349	$1,201	$13,108	$6,997	$15,341

These revisions had no effect on the Partnership's Unaudited Condensed Consolidated Balance Sheets, Statements of Operations and Comprehensive Income, Statements of Partner's Equity, or Statements of Cash Flows.

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CEDAR FAIR, L.P.
UNAUDITED CONDENSED CONSOLIDATING BALANCE SHEET
March 29, 2015
(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	$—	$—	$14,881	$4,844	$—	$19,725
Receivables	1	89,060	115,830	546,424	(727,190)	24,125
Inventories	—	152	2,070	35,147	—	37,369
Current deferred tax asset	—	36,111	674	4,042	—	40,827
Other current assets	80	369	2,382	24,196	—	27,027
	81	125,692	135,837	614,653	(727,190)	149,073
Property and Equipment (net)	—	5,621	202,853	1,349,790	—	1,558,264
Investment in Park	622,008	765,178	160,401	11,776	(1,559,363)	—
Goodwill	674	—	99,603	119,606	—	219,883
Other Intangibles, net	—	—	14,119	22,864	—	36,983
Deferred Tax Asset	—	24,215	—	—	(24,215)	—
Other Assets	5,470	20,488	7,223	8,517	—	41,698
	$628,233	$941,194	$620,036	$2,127,206	$(2,310,768)	$2,005,901
LIABILITIES AND PARTNERS' EQUITY						
Current Liabilities:						
Current maturities of long-term debt	$—	$—	$—	$—	$—	$—
Accounts payable	276,100	199,361	2,424	287,570	(727,190)	38,265
Deferred revenue	—	92	6,077	86,495	—	92,664
Accrued interest	1,595	1,526	7,943	992	—	12,056
Accrued taxes	1,792	503	749	7,115	—	10,159
Accrued salaries, wages and benefits	—	21,608	771	3,732	—	26,111
Self-insurance reserves	—	8,031	1,413	13,341	—	22,785
Current derivative liability	5,980	4,009	—	—	—	9,989
Other accrued liabilities	864	3,365	99	7,158	—	11,486
	286,331	238,495	19,476	406,403	(727,190)	223,515
Deferred Tax Liability	—	—	49,695	127,645	(24,215)	153,125
Derivative Liability	11,197	8,055	—	—	—	19,252
Other Liabilities	—	3,707	—	11,644	—	15,351
Long-Term Debt:						
Revolving credit loans	57,000	—	—	—	—	57,000
Term debt	—	247,890	13,991	346,969	—	608,850
Notes	294,897	205,103	450,000	—	—	950,000
	351,897	452,993	463,991	346,969	—	1,615,850
Equity	(21,192)	237,944	86,874	1,234,545	(1,559,363)	(21,192)
	$628,233	$941,194	$620,036	$2,127,206	$(2,310,768)	$2,005,901

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CEDAR FAIR, L.P.
UNAUDITED CONDENSED CONSOLIDATING BALANCE SHEET
December 31, 2014
(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	$80,000	$382	$45,519	$5,939	$—	$131,840
Receivables	8	143,931	85,838	634,112	(836,494)	27,395
Inventories	—	2,074	1,594	22,215	—	25,883
Current deferred tax asset	—	4,547	674	4,044	—	9,265
Other current assets	680	2,079	23,818	5,905	(23,148)	9,334
	80,688	153,013	157,443	672,215	(859,642)	203,717
Property and Equipment (net)	470,851	5,630	218,260	831,810	—	1,526,551
Investment in Park	544,340	812,549	163,904	43,659	(1,564,452)	—
Goodwill	9,061	—	108,012	111,218	—	228,291
Other Intangibles, net	—	—	15,312	22,879	—	38,191
Deferred Tax Asset	—	24,827	—	—	(24,827)	—
Other Assets	10,615	20,874	8,034	2,046	—	41,569
	$1,115,555	$1,016,893	$670,965	$1,683,827	$(2,448,921)	$2,038,319
LIABILITIES AND PARTNERS' EQUITY						
Current Liabilities:						
Accounts payable	$352,518	$203,895	$32,691	$271,323	$(836,494)	$23,933
Deferred revenue	—	60	4,592	56,509	—	61,161
Accrued interest	4,637	3,223	2,056	—	—	9,916
Accrued taxes	4,309	—	—	40,639	(23,148)	21,800
Accrued salaries, wages and benefits	—	25,851	1,103	7,148	—	34,102
Self-insurance reserves	—	5,386	1,565	16,426	—	23,377
Current derivative liability	7,062	4,729	—	—	—	11,791
Other accrued liabilities	508	8,134	122	3,375	—	12,139
	369,034	251,278	42,129	395,420	(859,642)	198,219
Deferred Tax Liability	—	—	49,695	127,645	(24,827)	152,513
Derivative Liability	8,438	6,211	—	—	—	14,649
Other Liabilities	—	6,105	—	11,766	—	17,871
Long-Term Debt:						
Term debt	346,969	247,890	13,991	—	—	608,850
Notes	294,897	205,103	450,000	—	—	950,000
	641,866	452,993	463,991	—	—	1,558,850
Equity	96,217	300,306	115,150	1,148,996	(1,564,452)	96,217
	$1,115,555	$1,016,893	$670,965	$1,683,827	$(2,448,921)	$2,038,319

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CEDAR FAIR, L.P.
UNAUDITED CONDENSED CONSOLIDATING BALANCE SHEET
March 30, 2014
(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	$—	$571	$3,524	$4,772	$—	$8,867
Receivables	59	96,547	76,669	530,662	(684,307)	19,630
Inventories	—	3,794	2,841	31,629	—	38,264
Current deferred tax asset	—	22,409	800	3,444	—	26,653
Other current assets	325	10,578	5,589	15,891	(2,363)	30,020
	384	133,899	89,423	586,398	(686,670)	123,434
Property and Equipment (net)	455,780	8,110	240,175	829,897	—	1,533,962
Investment in Park	443,179	744,425	138,604	35,052	(1,361,260)	—
Goodwill	9,061	—	113,249	111,218	—	233,528
Other Intangibles, net	—	—	16,037	22,883	—	38,920
Deferred Tax Asset	—	30,296	—	117	(30,413)	—
Other Assets	12,213	22,179	6,087	2,912	—	43,391
	$920,617	$938,909	$603,575	$1,588,477	$(2,078,343)	$1,973,235
LIABILITIES AND PARTNERS' EQUITY						
Current Liabilities:						
Current maturities of long-term debt	$827	$590	$33	$—	$—	$1,450
Accounts payable	173,364	230,516	10,818	314,637	(684,307)	45,028
Deferred revenue	—	85	4,048	66,015	—	70,148
Accrued interest	2,580	1,567	5,926	—	—	10,073
Accrued taxes	4,757	849	—	3,209	(2,363)	6,452
Accrued salaries, wages and benefits	—	18,183	503	5,833	—	24,519
Self-insurance reserves	—	5,431	1,664	15,601	—	22,696
Other accrued liabilities	280	3,086	125	1,405	—	4,896
	181,808	260,307	23,117	406,700	(686,670)	185,262
Deferred Tax Liability	—	—	56,045	131,649	(30,413)	157,281
Derivative Liability	16,281	11,508	—	—	—	27,789
Other Liabilities	—	4,358	—	3,397	—	7,755
Long-Term Debt:						
Revolving credit loans	55,000	—	—	—	—	55,000
Term debt	351,840	251,371	14,189	—	—	617,400
Notes	294,897	205,103	401,957	—	—	901,957
	701,737	456,474	416,146	—	—	1,574,357
Equity	20,791	206,262	108,267	1,046,731	(1,361,260)	20,791
	$920,617	$938,909	$603,575	$1,588,477	$(2,078,343)	$1,973,235

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CEDAR FAIR, L.P.
UNAUDITED CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME
For the Three Months Ended March 29, 2015
(In thousands)

	Cedar Fair L.P. (Parent)	Co-Issuer Subsidiary (Magnum)	Co-Issuer Subsidiary (Cedar Canada)	Guarantor Subsidiaries	Eliminations	Total
Net revenues	$(1,383)	$4,020	$78	$ 46,737	$ (2,635)	$46,817
Costs and expenses:						
Cost of food, merchandise, and games revenues	—	—	—	5,588	—	5,588
Operating expenses	134	23,057	4,971	52,603	(2,635)	78,130
Selling, general and administrative	799	13,275	1,743	10,001	—	25,818
Depreciation and amortization	—	9	—	4,002	—	4,011
Loss on impairment / retirement of fixed assets, net	—	—	—	2,903	—	2,903
	933	36,341	6,714	75,097	(2,635)	116,450
Operating loss	(2,316)	(32,321)	(6,636)	(28,360)	—	(69,633)
Interest expense (income), net	7,836	6,837	6,120	(301)	—	20,492
Net effect of swaps	14	(130)	—	—	—	(116)
Unrealized / realized foreign currency loss	—	—	38,218	—	—	38,218
Other (income) expense	188	(4,816)	1,046	3,582	—	—
Loss from investment in affiliates	72,786	51,745	3,503	35,489	(163,523)	—
Income (loss) before taxes	(83,140)	(85,957)	(55,523)	(67,130)	163,523	(128,227)
Provision (benefit) for taxes	693	(13,172)	(20,024)	(11,891)	—	(44,394)
Net loss	$(83,833)	$(72,785)	$(35,499)	$ (55,239)	$ 163,523	$(83,833)
Other comprehensive income (loss), (net of tax):						
Cumulative foreign currency translation adjustment	7,214	—	7,214	—	(7,214)	7,214
Unrealized loss on cash flow hedging derivatives	(2,439)	(777)	—	—	777	(2,439)
Other comprehensive income (loss), (net of tax)	4,775	(777)	7,214	—	(6,437)	4,775
Total Comprehensive loss	$(79,058)	$(73,562)	$(28,285)	$ (55,239)	$ 157,086	$(79,058)

CEDAR FAIR, L.P.
UNAUDITED CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME
For the Three Months Ended March 30, 2014
(In thousands)

	Cedar Fair L.P. (Parent)	Co-Issuer Subsidiary (Magnum)	Co-Issuer Subsidiary (Cedar Canada)	Guarantor Subsidiaries	Eliminations	Total
Net revenues	$4,755	$8,679	$151	$40,312	$(13,431)	$40,466
Costs and expenses:						
Cost of food, merchandise, and games revenues	—	—	1	4,984	—	4,985
Operating expenses	1,348	22,462	6,937	63,034	(13,431)	80,350
Selling, general and administrative	1,396	16,672	873	2,463	—	21,404
Depreciation and amortization	474	9	—	3,824	—	4,307
Loss on impairment / retirement of fixed assets, net	249	—	—	748	—	997
	3,467	39,143	7,811	75,053	(13,431)	112,043
Operating income	1,288	(30,464)	(7,660)	(34,741)	—	(71,577)
Interest expense, net	10,199	7,011	9,468	(2,019)	—	24,659
Net effect of swaps	194	177	—	—	—	371
Unrealized / realized foreign currency loss	—	—	17,184	—	—	17,184
Other (income) expense	187	(3,274)	374	2,713	—	—
(Income) loss from investment in affiliates	73,588	47,143	4,064	28,244	(153,039)	—
Income (loss) before taxes	(82,880)	(81,521)	(38,750)	(63,679)	153,039	(113,791)
Provision (benefit) for taxes	660	(10,422)	(10,506)	(9,983)	—	(30,251)
Net income (loss)	$(83,540)	$(71,099)	$(28,244)	$(53,696)	$153,039	$(83,540)
Other comprehensive income (loss), (net of tax):						
Cumulative foreign currency translation adjustment	1,621	—	1,621	—	(1,621)	1,621
Unrealized income (loss) on cash flow hedging derivatives	(650)	(173)	—	—	173	(650)
Other comprehensive income (loss), (net of tax)	971	(173)	1,621	—	(1,448)	971
Total Comprehensive Income (loss)	$(82,569)	$(71,272)	$(26,623)	$(53,696)	$151,591	$(82,569)

CEDAR FAIR, L.P.
UNAUDITED CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For the Three Months Ended March 29, 2015
(In thousands)

	Cedar Fair L.P. (Parent)	Co-Issuer Subsidiary (Magnum)	Co-Issuer Subsidiary (Cedar Canada)	Guarantor Subsidiaries	Eliminations	Total
NET CASH FROM (FOR) OPERATING ACTIVITIES	$(17,967)	$(44,980)	$(6,910)	$ 10,174	$ (566)	$(60,249)
CASH FLOWS FROM (FOR) INVESTING ACTIVITIES						
Intercompany receivables (payments) receipts	—	—	(10,594)	46,961	(36,367)	—
Purchase of preferred equity investment	—	(2,000)	—	—	—	(2,000)
Capital expenditures	—	—	(1,500)	(58,230)		