CEDAR FAIR L P
Form 424B2
July 15, 2004

File Pursuant To Rule 424(b)(2)
Registration No. 333-116711

PROSPECTUS SUPPLEMENT

(To Prospectus dated July 9, 2004)

Cedar Fair, L.P.

2,400,000 Units

Representing Limited Partner Interests

We are offering 2,400,000 Units representing limited partner interests in Cedar Fair, L.P.

Our Units are listed on the New York Stock Exchange under the symbol FUN. The last reported sale price of our Units on the New York Stock Exchange on July 14, 2004 was $30.88 per Unit.

Investing in our Units involves risks. See Risk Factors beginning on page S-8.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Unit	Total
Public offering price	$30.00	$72,000,000
Underwriting discount	$ 1.27	$ 3,048,000
Proceeds to us (before expenses)	$28.73	$68,952,000

We have granted the underwriters an option to purchase up to 360,000 additional Units to cover over-allotments.

We expect that the Units will be ready for delivery on or about July 20, 2004.

KeyBanc Capital Markets

A.G. Edwards

Stifel, Nicolaus & Company
Incorporated

Natexis Bleichroeder

The date of this prospectus supplement is July 14, 2004.

You should rely only on the information contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized anyone to provide you with different information. You should not assume that information contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus is accurate as of any date other than the date on the front cover of this prospectus supplement or the date of the document incorporated by reference, as applicable. Our business, financial condition, results of operations and prospects may have changed since those dates.

TABLE OF CONTENTS

MARKET AND INDUSTRY DATA

The market, industry and other similar data contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus are generally estimates and are based on management s own estimates and independent industry publications or other published independent sources, including *Amusement Today* and *Amusement Business*, both of which are international publications that cover amusement and water park news. While we believe that these estimates are reasonable, such data are subject to change and cannot always be verified due to the limits on the availability and reliability of raw data and uncertainties inherent in any statistical survey. As a result, you should be aware that any such market, industry and other similar data may not be reliable.

PEANUTS and Snoopy are registered trademarks of United Feature Syndicate, Inc.

FORWARD-LOOKING STATEMENTS

All statements set forth in this prospectus supplement and the accompanying prospectus (including information incorporated by reference in this prospectus supplement and the accompanying prospectus) that are not historical in nature are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including statements as to our expectations, beliefs and strategies regarding the future. These forward-looking statements may involve risks and uncertainties that are difficult to predict, may be beyond our control and could cause actual results to differ materially from those described in such statements. Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. The forward-looking statements included in this prospectus supplement, the accompanying prospectus or in the relevant incorporated documents are made as of the date of this prospectus supplement, the accompanying prospectus or the respective dates of the relevant incorporated documents, as the case may be, and, except as required by law, we undertake no obligation to update these forward-looking statements to reflect subsequent events or circumstances. Important factors that could cause actual results to differ materially from those suggested by these forward-looking statements and that could adversely affect our future financial performance are described under Risk Factors.

The risks and uncertainties identified under Risk Factors are not the only risks we face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial also may adversely affect us. Should any known or unknown risks and uncertainties develop into actual events, these developments could have material adverse effects on our business, financial condition and results of operations.

PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights information contained elsewhere in this prospectus supplement and the accompanying prospectus. This summary may not contain all of the information that you should consider before investing in our Units. We urge you to carefully read this entire prospectus supplement, including the accompanying prospectus and the documents incorporated by reference, including the Risk Factors section and our consolidated financial statements and the notes to those statements. Unless the context otherwise indicates, the terms Cedar Fair, the partnership, we, our and us as used in this prospectus supplement and the accompanying prospectus refer to Cedar Fair, L.P. and its consolidated subsidiaries. Additionally, when we refer to our officers and directors, we are referring to the officers and directors of Cedar Fair Management, Inc., our general partner.

Cedar Fair, L.P.

We are a leading amusement park operator in the United States. We own and operate seven amusement parks, including two of the 15 largest amusement parks in the United States based on 2003 attendance, as well as five separate-gated water parks. Cedar Point, our flagship park, has been voted the Best Amusement Park in the World for six consecutive years in surveys conducted by *Amusement Today.* Our amusement and water parks serve nine of the 25 largest metropolitan statistical areas in the United States and more than 100 million people in their combined markets. In 2003, approximately 12.2 million people visited our amusement and water parks.

Our seven amusement parks are:

Cedar Point, located on Lake Erie between Cleveland and Toledo in Sandusky, Ohio;

Knott s Berry Farm, located near Los Angeles in Buena Park, California;

Dorney Park & Wildwater Kingdom, located near Allentown in South Whitehall Township, Pennsylvania;

Geauga Lake, which we acquired in April 2004, located near Cleveland, Ohio;

Valleyfair, located near Minneapolis/St. Paul in Shakopee, Minnesota;

Worlds of Fun in Kansas City, Missouri; and

Michigan s Adventure near Muskegon, Michigan.

Of our five water parks requiring separate admission, three are located adjacent to Cedar Point, Knott s Berry Farm and Worlds of Fun, and two other Knott s Soak City water parks are located near San Diego and in Palm Springs, California. Our first year-round indoor water park resort, Castaway Bay at Cedar Point, is scheduled to open in November 2004. We also own and operate three other hotels, a campground and two marinas at Cedar Point and single hotels at Knott s Berry Farm and Geauga Lake. In addition, we operate Camp Snoopy, a seven-acre indoor amusement park at the Mall of America in Bloomington, Minnesota under a management contract that extends until 2012.

Our parks are family-oriented, with recreational facilities for guests of all ages, and provide clean and attractive environments with exciting rides and entertainment. Our amusement parks generally offer a broad selection of state-of-the-art and traditional thrill rides, themed areas, concerts and shows, restaurants, game venues and merchandise outlets. Our water parks feature a wide variety of attractions, including water slides, wave pools, raft rides and children s play areas. We hold a long-term license for theme park usage of the PEANUTS characters, including Snoopy, which we use to provide an enhanced family entertainment experience at many of our parks.

In 2003, our amusement parks were attended by approximately 10.7 million people and our water parks were attended by approximately 1.5 million people. Amusement park guest per capita spending averaged $37.49 and water park guest per capita spending averaged $21.61 in 2003. For 2003, our net revenues were $510.0 million, our operating income was $125.1 million and our net income was $85.9 million.

Our Strengths

We believe we have the following competitive strengths:

Strong cash flow and growing cash distributions

We have historically generated significant operating cash flow in excess of our capital investments. Our growing net revenues and stable cost structure have allowed us to increase our cash distribution every year since our initial public offering in 1987, including 13 increases in the last 10 years. Additionally, our limited partnership structure allows us to minimize the double taxation of our cash flow. We believe our strong cash flow will continue to give us the opportunity to reinvest in our current operations and increase cash distributions, as well as maintain the flexibility to make strategic acquisitions.

Market leader in thrill rides

Continued reinvestment in world-class thrill rides has been a key to the growth and profitability of our amusement parks. Surveys conducted by *Amusement Today* indicate that our amusement parks have:

- five of the world s top 25 steel roller coasters, including Cedar Point s Top Thrill Dragster, the world s tallest and fastest roller coaster; and
- two of the world s top 10 wooden roller coasters.

These surveys have also voted Cedar Point:

- the Best Amusement Park in the World for six consecutive years; and
- the amusement park with the Best Ride Capacity, a measurement of number of rides per hour that serves as a key indicator of customer satisfaction.

Cedar Point has more roller coasters than any other amusement park in the world and *USA Weekend* recently named Cedar Point as the #4 summer travel destination in the United States. We believe our position as a market leader in thrill rides will continue to attract a substantial number of visitors to our amusement parks.

Strong regional market positions

Our amusement and water parks serve nine of the top 25 metropolitan statistical areas in the United States. Each of our parks has strong regional name recognition and a leading market position in its geographical area, based on attendance. Cedar Point, Valleyfair and Michigan s Adventure are the largest amusement parks in Ohio, Minnesota and Michigan, respectively. In addition, Cedar Point, Dorney Park and Geauga Lake have operated continuously in their respective markets for more than 100 years.

We believe there are significant barriers to entry in the amusement park industry, including a limited supply of real estate suitable for amusement park development, high initial capital investment for both land and rides, long development lead-times, and zoning and other local restrictions. These barriers to entry help our amusement parks maintain strong regional market positions.

Disciplined acquisition approach

We follow a disciplined approach to acquisitions, which has been an important factor in our ability to increase our cash distributions to unitholders. Specifically, when evaluating potential acquisitions, we focus on those that we expect to be accretive on a cash flow basis, and avoid acquisitions that would likely dilute cash distributions to unitholders. In addition, we believe the tax advantages and other benefits of Unit ownership make our Units an attractive acquisition currency and have provided considerable flexibility in structuring acquisitions.

Experienced management team

The members of our senior management team have an average of 22 years with us. All of our general managers and most of our corporate officers have at least 25 years of experience with our parks, including Richard L. Kinzel, the Chairman of our Board and our President and Chief Executive Officer, who has 32 years of experience with us. We believe our experienced and stable management is one of the main reasons for our continued success.

Our Business Strategy

Our objective is to increase our cash distribution rate to our unitholders while providing our guests high-value, high-quality entertainment through a focus on our four cornerstones of safety, service, cleanliness and courtesy. Key elements of our business strategy are:

Pursuing growth in our existing parks

We believe there are continuing opportunities for growth in our existing parks. We seek to increase our revenues by increasing attendance and guest per capita spending by:

- adding rides and attractions and continually improving the overall guest experience;
- using innovative ticket pricing strategies to maximize admissions revenue and out-of-park spending on hotels, campgrounds and extra-charge attractions;
- adding and enhancing dining, merchandise and other revenue outlets; and
- focusing on special events.

Because most of our expenses are relatively fixed, incremental attendance gains and increases in guest per capita spending historically have resulted in increases in revenues and operating profits.

Adding complementary facilities

We have expanded several of our parks by adding complementary facilities, such as campgrounds, lodging, marinas and water parks. For example, because a substantial portion of visitors to our amusement parks include an overnight stay in their visits, particularly at Cedar Point, we have upgraded our resort facilities and other lodgings in recent years. Additionally, although most of our revenues are earned during a 130-day operating season that lasts from Memorial Day to Labor Day, we continue to look for opportunities to generate revenues on a year-round basis. As an example, we are scheduled to open Castaway Bay at Cedar Point in November 2004. We believe that adding complementary facilities will allow us to increase revenues and operating profits.

Maintaining disciplined expense controls

Our management team is skilled in controlling operating costs and expenses in all aspects of our business, while maintaining a high-quality guest experience. Full-time staff is kept to a minimum, and seasonal staffing levels are adjusted daily based on expected park attendance. All other costs and expenses are carefully budgeted and controlled to the maximum extent practicable. As a result, we are able to maintain high operating margins and strong cash distributions to our unitholders even with modest revenue growth.

Continuing to make selective acquisitions

We have grown from two amusement parks in 1987 to seven amusement parks and five separate-gated water parks in 2004, including our acquisition of Michigan s Adventure in June 2001 and Geauga Lake in April 2004. Pursuing our goal of generating revenues on a year-round basis, we acquired Knott s Berry Farm in 1997. We will continue to use our disciplined acquisition approach to acquire parks at reasonable prices where we believe we can generate solid financial returns.

Recent Developments

Acquisition of Geauga Lake

On April 8, 2004, we completed the acquisition of Six Flags Worlds of Adventure, located near Cleveland, Ohio, for approximately $144.3 million in cash.

The transaction involved the acquisition of substantially all of the assets of the park including the adjacent hotel and campground, but excluded, among other things, the use of the name Six Flags as well as all animals and related assets exhibited at the park. We opened the operating season at this park on May 1 and renamed the park Geauga Lake, its original name dating back to 1887.

We funded a portion of the cash purchase price for Geauga Lake through the issuance of $75 million of senior notes with terms of seven to eleven years at a fixed rate of 4.72%. The balance of the purchase price was funded through borrowings under our revolving credit facility, which we expanded from $180 million to $230 million. We intend to repay a portion of the borrowings outstanding under our revolving credit facility with the net proceeds of this offering.

Amendments to Our Limited Partnership Agreement

Under our governance structure, the board of directors of our general partner acts on behalf of the partnership, which itself has no board of directors. At a special meeting of the partnership concluded on June 8, 2004, our unitholders approved amendments to our limited partnership agreement that allow unitholders to indirectly elect the board of directors of our newly-created general partner, Cedar Fair Management, Inc. As a result of these changes, for the first time the board of directors of our general partner is comprised entirely of individuals elected by our unitholders.

To permit these unitholder elections, our limited partnership agreement was amended to specify that our unitholders will meet annually in person or by proxy to elect the board of directors of our general partner. A newly created trust holds all of the shares of our new general partner and is governed by a trust agreement specifying that the trustee shall elect the persons selected by our unitholders to serve as the board of directors of our general partner. See Summary Description of Our Limited Partnership Agreement Meetings; Voting.

As part of this governance restructuring, it is contemplated that our former general partner, Cedar Fair Management Company, would be liquidated and its three shareholders, all of whom are members of our senior management, would have their shares converted into Units having an aggregate value at the time of valuation of $3,450,000. However, on June 14, 2004, a current officer and a former officer of our general partner filed litigation claiming they are entitled to receive a portion of the Units that are to be distributed to the shareholders as part of the liquidation of Cedar Fair Management Company. The complaint also demands an unspecified amount of punitive damages from Cedar Fair Management Company and the chief executive officer of our general partner, based upon alleged fraudulent misrepresentations made to the plaintiffs. Neither the partnership nor any other members of the board of directors has been named as a defendant in this litigation.

Unitholders also granted our general partner authority to implement a unitholder rights plan that would allow the partnership to resist a potential change of control if the board of directors of our general partner, by a majority vote of a quorum, determines that a potential change of control transaction is not in the best interests of our unitholders. To give the general partner the flexibility to implement such a rights plan, our limited partnership agreement was amended to permit the general partner to issue Units or rights to acquire Units at a price determined by our general partner in its sole discretion.

Information About Cedar Fair, L.P.

We are a publicly traded Delaware limited partnership managed by our general partner, Cedar Fair Management, Inc. Our principal executive offices are located at One Cedar Point Drive, Sandusky, Ohio 44870-5259. Our telephone number at that address is (419) 626-0830. Our website is www.cedarfair.com. The information on our website is not a part of this prospectus supplement or the accompanying prospectus.

The Offering

Units being offered	2,400,000 Units
Units to be outstanding immediately after this offering	53,222,447 Units
Use of proceeds	We expect to use the net proceeds from this offering to repay a portion of the borrowings outstanding under our revolving credit facility. See Use of Proceeds.
Over-allotment option	We have granted the underwriters an option to purchase up to an additional 360,000 Units solely to cover over-allotments.
NYSE symbol	FUN

The number of Units to be outstanding after this offering is based on the number of Units outstanding as of June 30, 2004. Unless we specifically state otherwise, the information contained in this prospectus supplement:

- is based on the assumption that the underwriters will not exercise the over-allotment option granted to them by us; and
- excludes 2,509,720 Units issuable pursuant to the exercise of options granted under our equity compensation plans at a weighted average exercise price of $15.83.

Risk Factors

See Risk Factors beginning on page S-8 for a discussion of material risks that prospective purchasers of our Units should consider.

Summary Financial Data

The following table sets forth summary financial data for each of the years in the three-year period ended December 31, 2003 and the quarterly periods ended March 30, 2003 and March 28, 2004. We derived certain of the summary financial data from our audited consolidated financial statements for the years ended December 31, 2001, 2002 and 2003. We derived certain of the summary financial data for the quarterly periods ended March 30, 2003 and March 28, 2004 from our unaudited condensed consolidated financial statements, which include all adjustments, consisting of normal recurring accruals, that management considers necessary for a fair presentation of the financial position and results of operations for these periods. Because our business is highly seasonal, the results of operations for the quarter ended March 28, 2004 are not indicative of results that may be expected for any other interim period or for the full year ending December 31, 2004. The summary financial data should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the related notes contained elsewhere in this prospectus supplement.

	Year Ended December 31,			Quarter Ended	
	2001(1)	2002	2003	March 30, 2003	March 28, 2004
	(In thousands, except per unit and per capita amounts)				
Operating data:					
Net revenues	$477,256	$502,851	$509,976	$ 21,499	$ 23,210
Operating income (loss)	98,557	121,192	125,149	(24,325)	(24,085)
Income (loss) before taxes	74,414	88,576	103,806	(30,447)	(29,014)
Net income (loss)	57,894	71,417	85,888	(31,534)	(29,885)
Per limited partner unit(2)	1.13	1.39	1.67	(0.62)	(0.59)
Financial position:					
Property and equipment, net	$771,918	$781,502	$777,039	$792,368	$789,543
Total assets	810,231	822,257	819,341	837,414	840,657
Working capital (deficit)	(69,832)	(77,101)	(81,917)	(57,835)	(75,921)
Long-term debt	383,000	375,150	368,647	448,150	435,632
Partners equity	308,250	305,320	308,891	253,361	257,516
Distributions declared:					
Total	$ 81,057	$ 83,969	$ 89,207	$ 22,288	$ 22,844
Per limited partner unit	1.60	1.66	1.76	0.44	0.45
Other data:					
Depreciation and amortization	$ 42,486	$ 41,682	$ 44,693	$ 3,218	$ 3,443
Adjusted EBITDA(3)	152,704	170,103	175,707	(19,864)	(19,305)
Capital expenditures	47,801	55,279	39,789	13,975	15,858
Combined attendance(4)	11,890	12,380	12,245		
Combined guest per capita spending(5)	$ 34.41	$ 34.50	$ 35.48		

(1) Operating results for Michigan s Adventure and Knott s Soak City-Palm Springs are included for the periods subsequent to their respective acquisition dates in 2001.

(2) Net income per limited partner unit is computed based on the weighted average number of Units and equivalents outstanding assuming dilution.

(3) Adjusted EBITDA represents earnings before interest, taxes, depreciation, and all other non-cash costs. Adjusted EBITDA is not a measurement of operating performance computed in accordance with GAAP and should not be considered as a substitute for operating income, net income or cash flows from operating activities computed in accordance with GAAP. We believe that adjusted EBITDA is a meaningful measure of park-level operating profitability because we use it for measuring returns on

capital investments, evaluating potential acquisitions, determining awards under incentive compensation plans, and calculating compliance with certain loan covenants. Adjusted EBITDA may not be comparable to similarly titled measures of other companies.

A reconciliation of adjusted EBITDA to net income (the most comparable financial measure) is provided below:

	Year Ended December 31,			**Quarter Ended**	
	2001	**2002**	**2003**	**March 30, 2003**	**March 28, 2004**
			(In millions)		
Adjusted EBITDA	$152.7	$170.1	$175.7	$(19.9)	$(19.3)
Depreciation and amortization	42.5	41.7	44.7	3.2	3.5
Other non-cash costs	11.7	7.2	5.9	1.2	1.3
Operating income (loss)	$ 98.5	$121.2	$125.1	$(24.3)	$(24.1)
Interest expense	24.1	25.0	24.0	5.9	5.8
Other (income) expense		7.6	(2.7)	0.2	(0.9)
Provision for taxes	16.5	17.2	17.9	1.1	0.9
Net income (loss)	$ 57.9	$ 71.4	$ 85.9	$(31.5)	$(29.9)

(4) Combined attendance includes attendance figures from amusement parks and separate-gated water parks during the periods presented. Amounts are only included on a full-year basis due to the seasonal nature of the business.

(5) Combined guest per capita spending includes all amusement park, water park, causeway tolls and parking revenues for the amusement park and water park operating seasons. Revenues from marina, hotel, campground and other out-of-park operations are excluded from these statistics. Amounts are only included on a full-year basis due to the seasonal nature of the business.

RISK FACTORS

In considering whether to purchase our Units, you should carefully consider all of the information we have included or incorporated by reference in this prospectus supplement and the accompanying prospectus. In particular, you should carefully consider the risk factors described below.

Risks Related to Our Business

Bad weather conditions can adversely impact attendance at our parks, which in turn would reduce our revenues.

Because most of the attractions at our parks are outdoors, attendance at our parks is adversely affected by bad weather and also can be adversely affected by forecasts of bad or mixed weather conditions. Attendance at our parks is a key driver of our revenues and profitability, and reduced attendance directly and negatively affects revenues and profitability. For example, our 2003 operating season results were adversely affected by abnormally cold and wet weather at several of our parks, especially at Dorney Park, where attendance decreased approximately 13% from 2002 because of weather conditions on the east coast.

Unanticipated construction delays in completing capital improvement projects in our parks and resort facilities can adversely affect our revenues.

A principal competitive factor for an amusement park is the uniqueness and perceived quality of its rides and attractions in a particular market area. Accordingly, the regular addition of new rides and attractions is important, and a key element of our revenue growth is strategic capital spending on new rides and attractions. Any construction delays or ride down-time can adversely affect our attendance and our ability to realize revenue growth.

We compete with many other entertainment alternatives and are subject to factors that affect the recreation and leisure industry generally.

Our parks compete with other amusement, water and theme parks and with other types of recreational facilities and forms of entertainment, including movies, sports events and vacation travel. Our business is also subject to factors that affect the recreation and leisure industries generally and are not within our control, such as general economic conditions and changes in consumer tastes and spending habits.

Other factors, including local events, natural disasters and terrorist activities, can adversely impact park attendance and our revenues.

Lower attendance may result from various local events, natural disasters or terrorist activities, all of which are outside of our control. For instance, our business and financial results, particularly in California, were adversely impacted by the terrorist attacks that occurred in the United States on September 11, 2001. Terrorist alerts or future terrorist activities may adversely affect attendance at our parks, which would reduce our revenues.

There is a risk of accidents occurring at amusement parks, which may reduce attendance and negatively impact our revenues.

All of our amusement parks feature thrill rides. There are inherent risks involved with these attractions, and an accident or a serious injury at any of our amusement parks may reduce attendance and result in decreased revenues. In addition, accidents or injuries at parks operated by our competitors may influence the attitudes of amusement park patrons generally and adversely affect attendance at our amusement parks.

The operating season at most of our parks is of limited duration, which magnifies the impact of adverse conditions or events.

Six of our amusement parks are seasonal, generally operating only during a portion of May, then daily from Memorial Day through Labor Day, and during weekends in September and, in some cases, October. Our water parks also operate seasonally, generally from Memorial Day through Labor Day and during some additional weekends before and after that period. Most of our revenues are generated during this approximately 130-day annual operating season. As a result, when conditions or events described in the above risk factors occur during the operating season, particularly during the peak season of July and August, there is only a limited period of time during which the impact of those conditions or events can be offset. Accordingly, such conditions or events may have a disproportionately adverse effect upon our revenues.

There is no recent historical experience for operating Geauga Lake as it is currently constituted.

Our recent acquisition of Geauga Lake included substantially all of the assets of the park, including the adjacent hotel and campgrounds, but did not include any of the animals previously exhibited at the park or any of the Warner Bros. characters. This park was most recently operated under the Six Flags brand and, beginning with the 2001 season, featured access to both the amusement park and the animal attractions for a single admission price. We believe the presence of the animal attractions and the Warner Bros. characters drew some of the park s visitors, and there is no recent operating experience upon which to base projections of guest attendance and resulting revenues at Geauga Lake without the animal attractions and Warner Bros. characters.

If we lose key personnel, our business may be adversely affected.

Our success depends in part upon a number of key employees, including our senior management team, whose members have been involved in our business for an average of 22 years. The loss of the services of our key employees could have a materially adverse effect on our business. With the exception of our Chief Executive Officer, we do not have employment agreements with our key employees.

The terms of our debt agreements could, under certain circumstances, impose limitations upon our activities.

The agreements governing our senior notes and our revolving credit facility include covenants that under some circumstances could limit, among other things, our ability to:

- incur additional debt;
- create liens;
- make certain investments;
- merge, consolidate or transfer assets; and
- enter into certain transactions with our affiliates.

Our debt agreements also require us to maintain specified financial ratios and satisfy certain other financial tests. A breach of any of these covenants could result in an event of default under our debt agreements, and it would be an event of default under our revolving credit facility if we were to become taxable as a corporation rather than a partnership. If an event of default occurs, our lenders could elect to cause our outstanding debt to become immediately due and payable, requiring it to be refinanced under market conditions at that time.

Risks Related to Ownership of Our Units

We may sell additional Units, which would dilute existing interests of unitholders.

Our limited partnership agreement allows us to issue up to 750 million Units upon terms and conditions established by our general partner in its sole discretion without the approval of unitholders. If we were to issue additional Units, your proportionate interest in the partnership would decrease. Such an issuance could negatively affect the amount of cash distributed to each unitholder and would diminish the relative voting strength of previously outstanding Units. Future sales of substantial amounts of Units in the public market could adversely affect prevailing market prices of our Units, which could impair our ability to raise capital through future sales of our Units.

The market price of our Units may be adversely affected if interest rates increase.

As a result of our historically strong cash flow and the increasing cash distributions to our unitholders since our initial public offering in 1987, we believe that investors value our Units similarly to a debt security in that a predictable yield is an important element of the investment. In the event of a rise in the prevailing interest rates for debt securities, our Units may be perceived to become less attractive and the market price of our Units may be adversely affected.

The market price of our Units is subject to fluctuation, which may make it more difficult to realize a gain on your investment in our Units.

Various factors could cause the market price of our Units to fluctuate and make it more difficult to realize a gain upon any sale of your Units. Factors that could cause such Unit price fluctuations include announcements or significant developments with respect to the amusement park industry, actual or anticipated variations in our quarterly or annual financial results, other conditions or trends in our industry, changes in securities analysts estimates of our future performance or that of our competitors or our industry, general economic conditions and changes or volatility in the financial markets.

The limited liability of unitholders under Delaware law is not absolute under certain circumstances.

As a general matter, under Delaware law, our unitholders liability for the obligations of the partnership is limited to the amount of their capital contributions. However, if a court determined that the right of unitholders to remove the general partner or to take any other action under our limited partnership agreement constituted participation in the control of our business, or if it were determined that we had been conducting our business in any state without complying with the applicable limited partnership statute, unitholders liability may not be limited in that fashion.

Tax Risks

Tax consequences to unitholders are dependent on partnership status.

The availability to our unitholders of the federal income tax benefits of an investment in our Units depends, in large part, on our classification as a partnership for federal income tax purposes. Based on certain representations we have made to our tax counsel, Squire, Sanders & Dempsey L.L.P., they are of the opinion that, under current law, we will be classified as a partnership for federal income tax purposes. Further, our tax counsel are of the opinion that we have properly elected to be an electing 1987 partnership. We are relying on these opinions of our tax counsel, which are not binding on the IRS.

In the event that the positions we have taken for federal tax purposes were successfully challenged by the IRS, the result could be significantly higher tax costs to us, a material reduction in our anticipated cash flow and materially less cash available for distribution to unitholders.

For example, if contrary to the opinion of our tax counsel, we were classified as an association taxable as a corporation for federal income tax purposes, we would be required to pay tax on our income at corporate tax rates (currently a 35% federal rate). Cash distributions to our unitholders would generally be taxed a second time as corporate dividends, and no income, gains, losses or deductions would flow through to our unitholders. Because the federal income tax would be imposed on us as an entity, the cash available for distribution to our unitholders could be substantially reduced, which could cause a substantial reduction in the value of the Units.

Also, we are currently an electing 1987 partnership under Section 7704 of the Internal Revenue Code. As such, although we are generally treated for tax purposes as a partnership, we are subject to a special tax on our gross income (net revenues minus cost of products sold). At some point we could fail to continue to be an electing 1987 partnership as a result of either our own actions (such as adding a substantial new line of business) or a change in the law. Such actions or change in the law could cause us to be treated as an association taxable as a corporation for federal income tax purposes or otherwise to be subject to increased entity-level taxation. In addition, if the law applicable to electing 1987 partnerships were to change or if our legal structure were to cease being effective for tax purposes, the results could be higher levels of taxation on our operations as an electing 1987 partnership. Higher tax costs under these circumstances could cause a material reduction in our anticipated cash flow and after-tax returns to our unitholders. This, in turn, could cause a substantial reduction in the value of our Units.

We have not requested an IRS ruling regarding our classification as a partnership or our tax treatment as an electing 1987 partnership.

We have not requested, and do not intend to request, a ruling from the IRS with respect to our classification as a partnership for federal income tax purposes, whether we have properly elected to be or are properly structured as an electing 1987 partnership under Section 7704 of the Code or any other matter affecting us. Accordingly, the IRS may adopt positions that differ from the conclusions of our tax counsel expressed in this prospectus supplement or the positions taken by us. It may be necessary to resort to administrative or court proceedings in an effort to sustain some or all of our tax counsel s conclusions or the positions taken by us, and a court may not concur with some or all of those conclusions or positions. Any contest with the IRS may materially and adversely impact the market for our Units and the prices at which Units trade. In addition, the costs of any contest with the IRS will be borne directly by us and indirectly by our unitholders because the costs incurred by us and any additional tax imposed will reduce the amount of cash available for distribution on our Units.

A unitholder s tax liability could exceed cash distributions on his or her Units.

A unitholder will be required to pay federal income taxes and, in some cases, state and local income taxes on his or her allocable share of our income, without regard to the receipt of cash distributions from us. We cannot guarantee that a unitholder will receive cash distributions equal to or greater than his or her allocable share of our taxable income or even the tax liability resulting from that income.

There are limits on the deductibility of losses.

In the case of taxpayers subject to the passive loss rules (generally individuals and closely held corporations), any losses generated by us will only be available to offset our future income and cannot be used to offset income from other activities, including other passive activities or investments. Unused losses may be deducted when a unitholder disposes of his or her entire investment in Units in a fully taxable transaction with an unrelated party. A unitholder s share of our net passive income may be offset by unused losses from us carried over from prior years, but not by losses from other passive activities, including losses from other publicly traded partnerships.

The IRS could challenge certain depreciation, amortization and allocation conventions used by us, which, if successful, could adversely affect the amount of taxable income allocated to our partners.

The Treasury regulations under Section 743(b) and Section 704(c) of the Code require us to adopt certain depreciation and amortization conventions and allocation methods. These regulations are complex and there is no assurance that the IRS could not successfully challenge the conventions and methods we have adopted. If that were to occur, it could affect the federal income tax consequences of holding our Units and adversely affect the market price of our Units.

Recently enacted legislation may make investments in corporations more attractive when compared to investments in Units.

The Jobs and Growth Tax Reconciliation Act of 2003 generally reduces the maximum tax rate on dividends paid by corporations to individuals to 15% in 2003 and, for taxpayers in the 10% and 15% ordinary income tax brackets, to 5% in 2003 through 2007 and to zero in 2008. This legislation may cause some investments in corporations to be more attractive to individual investors when compared to an investment in partnerships, thereby exerting downward pressure on the market price of our Units. The legislation also reduces the maximum tax rate for an individual to 35% and the maximum tax rate applicable to net long-term capital gains of an individual to 15%.

Unitholders are likely to be subject to state taxes in multiple jurisdictions.

In addition to United States federal income taxes, unitholders will likely be subject to other taxes, such as state and local income taxes, unincorporated business taxes and estate, inheritance or intangible taxes that are imposed by the various jurisdictions in which the unitholder resides or in which we do business or own property. A unitholder will likely be required to file state tax returns and pay state taxes in some or all of the various jurisdictions in which we do business or own property and may be subject to penalties for failure to comply with those requirements. It is the responsibility of each unitholder to file all tax returns that may be required. Our tax counsel has not rendered an opinion on the tax consequences of an investment in us other than the United States federal income tax consequences.

USE OF PROCEEDS

We estimate that the net proceeds from this offering, after deducting the applicable underwriting discount and other expenses payable by us, will be approximately $68.5 million, or $78.8 million if the underwriters exercise their over-allotment option in full. We intend to use the net proceeds from this offering to repay a portion of the borrowings outstanding under our revolving credit facility. Borrowings under the revolving credit facility bear interest at a rate equal to LIBOR plus 0.875% per annum, which was 2.245% as of June 30, 2004. The revolving credit facility is available to us through March 2007. In addition to working capital purposes, borrowings under our revolving credit facility were used to finance part of the purchase price of Geauga Lake in April of 2004. KeyBank National Association acted as the lead arranger and is the administrative agent and a lender under our revolving credit facility. KeyBank National Association is an affiliate of McDonald Investments Inc., of which KeyBanc Capital Markets is a division.

CAPITALIZATION

The following table summarizes our cash and capitalization as of March 28, 2004, (1) on an actual basis, (2) on an adjusted basis to give effect to the debt incurred to finance the acquisition of Geauga Lake, and (3) as further adjusted to give effect to this offering and the application of the estimated net proceeds as described under Use of Proceeds above. The table should be read in conjunction with Use of Proceeds, Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the related notes contained elsewhere in this prospectus supplement.

	March 28, 2004		
	Actual	As Adjusted for the Geauga Lake Acquisition	As Further Adjusted for This Offering
		(In thousands)	
Cash	$ 3,218	$ 3,218	$ 3,218
Debt:			
Revolving credit loans	$100,550	$169,800	$101,300
August 1994 senior notes at 8.43% (due 2004-2006)	30,000	30,000	30,000
January 1998 senior notes at 6.68% (due 2007-2011)	50,000	50,000	50,000
August 2001 senior notes at 6.40% (due 2004-2008)	50,000	50,000	50,000
February 2002 senior notes at 6.44% average rate (due 2007-2015)	100,000	100,000	100,000
December 2003 senior notes at 5.38% average rate (due 2009-2018)	100,000	100,000	100,000
April 2004 senior notes at 4.72% (due 2011-2015)		75,000	75,000
Fair value hedges on December 2003 senior notes	5,082	5,082	5,082
Total debt (including current maturities of long-term debt)	435,632	579,882	511,382
Total partners equity	257,516	257,516	326,016
Total capitalization	$693,148	$837,398	$837,398

PRICE RANGE OF OUR UNITS AND CASH DISTRIBUTION HISTORY

Our Units are listed for trading on the New York Stock Exchange under the symbol FUN. As of June 30, 2004, there were approximately 10,000 registered holders of our Units, including approximately 4,000 participants in our distribution reinvestment plan. Information regarding recent cash distributions declared and high and low prices of Units are shown in the table below:

	Cash Distributions Per Unit	Price Range of Units	
		High	Low
2002			
1st Quarter	$0.41	$24.80	$22.10
2nd Quarter	0.41	24.50	22.60
3rd Quarter	0.42	24.25	19.59
4th Quarter	0.42	23.75	20.01
2003			
1st Quarter	$0.44	$25.65	$22.65
2nd Quarter	0.44	28.59	24.42
3rd Quarter	0.44	28.24	24.28
4th Quarter	0.44	31.55	27.40
2004			
1st Quarter	$0.45	$36.01	$30.20
2nd Quarter	0.45	34.53	29.70
3rd Quarter (through July 14, 2004)		31.59	30.55

The annual rate of cash distributions to unitholders has increased for 16 consecutive years since our initial public offering in 1987. Cash distributions to unitholders are declared by the board of directors of our general partner in accordance with the terms of our limited partnership agreement. Generally, we are required to make quarterly cash distributions to our partners of:

- our operating revenues less the sum of our operating costs, principal and interest payments on our debt, working capital and fixed asset reserves, taxes and capital expenditures; and

- the net proceeds, after the repayment of debt, from any capital-generating transaction involving our assets.

SELECTED FINANCIAL DATA

The following table sets forth selected financial data for each of the years in the five-year period ended December 31, 2003 and the quarterly periods ended March 30, 2003 and March 28, 2004. We derived certain of the selected financial data from our audited consolidated financial statements for the years ended December 31, 1999, 2000, 2001, 2002 and 2003. We derived certain of the historical data for the quarterly periods ended March 30, 2003 and March 28, 2004 from our unaudited condensed consolidated financial statements, which include all adjustments, consisting of normal recurring accruals, that management considers necessary for a fair presentation of the financial position and results of operations for these periods. Because our business is highly seasonal, the results of operations for the quarter ended March 28, 2004 are not indicative of results that may be expected for any other interim period or for the full year ending December 31, 2004. The selected financial data should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the related notes contained elsewhere in this prospectus supplement.

	Year Ended December 31,					Quarter Ended	
	1999	2000(1)	2001(2)	2002	2003	March 30, 2003	March 28, 2004
	(In thousands, except per unit and per capita amounts)						
Operating data:							
Net revenues	$438,001	$472,920	$477,256	$502,851	$509,976	$ 21,499	$ 23,210
Operating income (loss)	116,755	115,516	98,557	121,192	125,149	(24,325)	(24,085)
Income (loss) before taxes	101,384	94,159	74,414	88,576	103,806	(30,447)	(29,014)
Net income (loss)	85,804	77,806	57,894	71,417	85,888	(31,534)	(29,885)
Per limited partner unit(3)	1.63	1.50	1.13	1.39	1.67	(0.62)	(0.59)
Financial position:							
Property and equipment, net	$674,640	$728,919	$771,918	$781,502	$777,039	$792,368	$789,543
Total assets	708,961	764,143	810,231	822,257	819,341	837,414	840,657
Working capital (deficit)	(62,375)	(88,646)	(69,832)	(77,101)	(81,917)	(57,835)	(75,921)
Long-term debt	261,200	300,000	383,000	375,150	368,647	448,150	435,632
Partners equity	349,986	330,589	308,250	305,320	308,891	253,361	257,516
Distributions declared:							
Total	$ 74,366	$ 78,495	$ 81,057	$ 83,969	$ 89,207	$ 22,288	$ 22,844
Per limited partner unit	1.425	1.53	1.60	1.66	1.76	0.44	0.45
Other data:							
Depreciation and amortization	$ 35,082	$ 39,572	$ 42,486	$ 41,682	$ 44,693	$ 3,218	$ 3,443
Adjusted EBITDA(4)	151,837	162,915	152,704	170,103	175,707	(19,864)	(19,305)
Capital expenditures	80,400	93,487	47,801	55,279	39,789	13,975	15,858
Combined attendance(5)	11,224	11,703	11,890	12,380	12,245		
Combined guest per capita spending(6)	$ 33.72	$ 34.75	$ 34.41	$ 34.50	$ 35.48		

(1) The 2000 operating results include a $7.8 million, or $0.15 per Unit, charge to terminate general partner fees.

(2) Operating results for Michigan s Adventure and Knott s Soak City-Palm Springs are included for the periods subsequent to their respective acquisition dates in 2001.

(3) Net income per limited partner unit is computed based on the weighted average number of Units and equivalents outstanding assuming dilution.

(4)

Adjusted EBITDA represents earnings before interest, taxes, depreciation, and all other non-cash costs. Adjusted EBITDA is not a measurement of operating performance computed in accordance with GAAP and should not be considered as a substitute for operating income, net income or cash flows from operating activities computed in accordance with GAAP. We believe that adjusted EBITDA is a meaningful measure of park-level operating profitability because we use it for measuring returns on capital investments, evaluating potential acquisitions, determining awards under incentive compensation plans, and calculating compliance with certain loan covenants. Adjusted EBITDA may not be comparable to similarly titled measures of other companies.

A reconciliation of adjusted EBITDA to net income (the most comparable financial measure) is provided below:

	Year Ended December 31,					Quarter Ended	
	1999	2000	2001	2002	2003	March 30, 2003	March 28, 2004
	(In millions)						
Adjusted EBITDA	$151.8	$162.9	$152.7	$170.1	$175.7	$(19.9)	$(19.3)
Depreciation and amortization	35.0	39.6	42.5	41.7	44.7	3.2	3.5
Other non-cash costs			11.7	7.2	5.9	1.2	1.3
Cost to terminate general partner fees		7.8					
Operating income (loss)	$116.8	$115.5	$ 98.5	$121.2	$125.1	$(24.3)	$(24.1)
Interest expense	15.4	21.4	24.1	25.0	24.0	5.9	5.8
Other (income) expense				7.6	(2.7)	0.2	(0.9)
Provision for taxes	15.6	16.3	16.5	17.2	17.9	1.1	0.9
Net income (loss)	$ 85.8	$ 77.8	$ 57.9	$ 71.4	$ 85.9	$(31.5)	$(29.9)

(5) Combined attendance includes attendance figures from amusement parks and separate-gated water parks during the periods presented. Amounts are only included on a full-year basis due to the seasonal nature of the business.

(6) Combined guest per capita spending includes all amusement park, water park, causeway tolls and parking revenues for the amusement park and water park operating seasons. Revenues from marina, hotel, campground and other out-of-park operations are excluded from these statistics. Amounts are only included on a full-year basis due to the seasonal nature of the business.

MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL

CONDITION AND RESULTS OF OPERATIONS

The following management s discussion and analysis of financial condition and results of operations should be read in conjunction with the historical consolidated financial statements and the related notes contained elsewhere in this prospectus supplement.

The table below presents certain financial data expressed as a percent of total net revenues and selective statistical information for the periods indicated.

	For the Years Ended December 31,					
	2001		2002		2003	
	(In millions, except attendance and per capita amounts)					
Operating Data:						
Net revenues:						
Admissions	$ 239.8	50.2%	$ 252.1	50.1%	$ 259.4	50.9%
Food, merchandise and games	192.8	40.4%	201.1	40.0%	200.7	39.3%
Accommodations and other	44.7	9.4%	49.7	9.9%	49.9	9.8%
Net revenues	477.3	100.0%	502.9	100.0%	510.0	100.0%
Cash operating costs and expenses	324.6	68.0%	332.8	66.2%	334.3	65.6%
Adjusted EBITDA(1)	152.7	32.0%	170.1	33.8%	175.7	34.4%
Depreciation and amortization	42.5	8.9%	41.7	8.3%	44.7	8.8%
Other non-cash costs	11.7	2.4%	7.2	1.4%	5.9	1.1%
Operating income	98.5	20.7%	121.2	24.1%	125.1	24.5%
Interest and other expense, net	24.1	5.1%	32.6	6.5%	21.3	4.2%
Provision for taxes	16.5	3.5%	17.2	3.4%	17.9	3.5%
Net income	$ 57.9	12.1%	$ 71.4	14.2%	$ 85.9	16.8%
Selective Statistical Information:						
Amusement park attendance *(in thousands)*	10,588		10,887		10,700	
Amusement park per capita spending	$ 36.28		$ 36.39		$ 37.49	
Water park attendance *(in thousands)*	1,302		1,493		1,545	
Water park per capita spending	$ 19.13		$ 20.72		$ 21.61	