



SKYCITY
Entertainment
Group Limited

Half Year Result Presentation

Six month period ended 31 December 2011

15 February 2012

SKYCITY Interim Result 1H12

1H12 Result Presentation

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Appendices and Financial Summaries

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1H12 Result Presentation



1H12 Result Highlights

	1H12	1H11	Movement	
	\$m	\$m	\$m	%
Reported Revenue (incl Gaming GST)	494.0	447.7	46.3	10.3%
Reported EBITDA	168.2	150.9	17.3	11.5%
Reported NPAT	78.8	67.1	11.7	17.4%
Reported EPS	13.7cps	11.7cps	2.0cps	17.1%
Dividend	9.0cps	8.0cps	1.0cps	12.5%
Normalised Revenue (incl Gaming GST)	489.0	447.1	41.9	9.4%
Normalised EBITDA	165.5	151.4	14.1	9.3%
Normalised NPAT	77.0	67.4	9.6	14.2%

▪ The difference between Normalised and Reported can be seen on page 34

1H12 Result Highlights

- **Record first half financial results, with Reported NPAT of \$78.8m +17.4% on 1H11**
 - Reported Revenue and EBITDA of \$494.0m (+10.3%) and \$168.2m (+11.5%)
 - Flagship Auckland Revenues \$268.9m, up \$33.8m (+14.4%)
 - Rugby World Cup 2011 was a one-off boost to Revenue of \$11.5m, EBITDA of \$6.5m and NPAT of \$4.7m
 - Excluding RWC, we estimate that NPAT would have been \$74m – up 10.4% on 1H11

- **Momentum continues in core gaming business**
 - Strong momentum in Auckland Table Games following the opening of Horizon and Eight
 - \$50m developments in Auckland completed on time and on budget; annualised post tax return of 15%
 - Auckland Gaming Machines Revenue growth of 17%, following upgrade and development of VIP rooms

- **Major expansion opportunities are progressing**
 - Ongoing negotiations with NZ Government on the National Convention Centre in Auckland
 - Continuing discussions with SA Government on Adelaide re-development and expansion
 - Cash flows and current and future debt provide capacity to fund major expansions

- **Strong balance sheet with Net Debt : EBITDA of 2.0 times and \$585m committed undrawn facilities**
 - Including new attractively priced 7-year \$185m bank facility which will be partly used to repay the \$256m USPP due in March 2012

1H12 Group Result

Reported Revenues and Earnings

Reported	1H12	1H11	Movement	
	\$m	\$m	\$m	%
Revenue (including Gaming GST)	494.0	447.7	46.3	10.3%
Gaming GST	42.7	37.1	(5.6)	(15.1%)
Revenue	451.3	410.6	40.7	9.9%
Expenses	283.1	259.7	(23.4)	(9.0%)
EBITDA	168.2	150.9	17.3	11.5%
Depreciation and Amortisation	36.2	34.6	(1.6)	(4.6%)
EBIT	132.0	116.3	15.7	13.5%
Interest Cost	25.5	23.2	(2.3)	(9.9%)
Net Profit Before Tax	106.5	93.1	13.4	14.4%
Tax and Minority Interest	27.7	26.0	(1.7)	(6.5%)
Reported NPAT	78.8	67.1	11.7	17.4%
Normalised NPAT	77.0	67.4	9.6	14.2%

- Revenue (including Gaming GST) is shown above to facilitate Australasian comparisons. It also facilitates period on period comparisons given the GST rate increase in New Zealand on 1 October 2010 from 12.5% to 15%
- Normalised NPAT adjusts for non-recurring items and International Business (IB) at theoretical win rate of 1.35% from 1.64% in 1H12 (1H11: 1.39%)

1H12 Revenue Summary by Business Unit (incl Gaming GST)

	1H12 \$m	1H11 \$m	Movement	
			\$m	%
New Zealand Casinos				
▪ Auckland	268.9	235.1	33.8	14.4%
▪ Hamilton	26.5	23.3	3.2	13.7%
▪ Christchurch	2.5	3.3	(0.8)	(24.2%)
▪ Queenstown, Other	4.1	4.1	0.0	0.0%
Total New Zealand	302.0	265.8	36.2	13.6%
Australian Casinos				
▪ Adelaide (A\$)	82.6	77.3	5.3	6.9%
▪ Darwin (A\$)	63.6	63.5	0.1	0.2%
Total Australia (A\$)	146.2	140.8	5.4	3.8%
Total Australia (NZ\$)	187.0	181.3	5.7	3.1%
Casino Revenues incl Normalised IB (incl Gaming GST)	489.0	447.1	41.9	9.4%
Adjust International Business to actual win rate	5.0	0.6	4.4	
Reported Revenue incl Actual IB (incl Gaming GST)	494.0	447.7	46.3	10.3%

- Revenue (including Gaming GST) is shown above to facilitate Australasian comparisons. It also facilitates period on period comparisons given the GST rate change in New Zealand on 1 October 2010
- Normalised Revenue is adjusted for IB at theoretical win rate of 1.35%. Actual 1H12 win rate of 1.64% (1H11 win rate: 1.39%)
- Average NZD/AUD cross-rate during 1H12 0.7835 and 1H11 0.7795

1H12 EBITDA Summary by Business Unit

	1H12 \$m	1H11 \$m	Movement	
			\$m	%
New Zealand Casinos				
▪ Auckland	114.4	101.0	13.4	13.3%
▪ Hamilton	11.0	10.0	1.0	10.0%
▪ Christchurch	2.5	3.3	(0.8)	(24.2%)
▪ Queenstown, Other	0.5	0.4	0.1	25.0%
Total New Zealand	128.4	114.7	13.7	11.9%
Australian Casinos				
▪ Adelaide (A\$)	19.2	17.0	2.2	12.9%
▪ Darwin (A\$)	20.8	20.7	0.1	0.5%
Total Australia (A\$)	40.0	37.7	2.3	6.1%
Total Australia (NZ\$)	51.0	48.7	2.3	4.7%
Corporate Costs	(13.9)	(12.0)	(1.9)	(15.8%)
Normalised EBITDA	165.5	151.4	14.1	9.3%
Non-recurring items	(0.8)	(0.9)	0.1	11.1%
International Business to actual win rate	3.5	0.4	3.1	
Reported EBITDA	168.2	150.9	17.3	11.5%

- Normalised EBITDA is adjusted for non-recurring items (NRI) and IB at theoretical
- Average NZD/AUD cross-rate during 1H12 0.7835 and 1H11 0.7795

Auckland Highlights

- Strong fundamentals in our core Auckland gaming businesses, in particular:
 - over the four month period since ‘EIGHT’ opened on 31 August 2011 to 31 December, total table games drop increased by over 20% and revenues by 11%
 - momentum continues in 2H12, with table games drop continuing to be up over 20% in the period 31 August 2011 to 12 February 2012
 - international business turnover of \$1.4 billion, up 26% on pcp and 195% against 1H10
 - IB turnover for the FY12 period to 12 February 2012 is up 45% on pcp
 - 1H12 gaming machine revenues of \$118 million, up 17%
- Growth attributable to \$50 million revitalisation of the Auckland property, including:
 - the continued growth in our International Business following the opening of our ‘Horizon’ suites and salons
 - the domestic tables VIP facility, ‘EIGHT’
 - the ‘Diamond’ gaming machines room (enhanced customer segmentation)



Auckland Highlights

- Non-gaming revenues grew by \$13 million, up 23%, largely due to the successful opening of new bars and restaurants on Federal Street and solid Hotels performance over RWC 2011
- Annualised post tax return on capital of the \$50m Capex is forecast to be in excess of 15%
- One-off benefit of RWC 2011, which added just under \$11 million Revenue and \$6 million EBITDA in Auckland
- Excluding RWC, our core Auckland business showed strong underlying growth trends, with revenue up by 10% and EBITDA up more than 7%
- The new 'Bally' gaming system will be launched in Auckland in 2H12, at a cost of approximately \$10m
 - will further improve our approach to customer loyalty, customer segmentation, marketing execution, brand offering and host responsibility



New Zealand International Convention Centre

- Negotiations continue with the New Zealand Government on the development of **New Zealand's International Convention Centre** in Auckland
 - since the re-election of the National Government in November 2011, discussions have been progressing
 - we remain focused upon successfully negotiating an outcome which would see SKYCITY investing \$350 million to deliver an iconic Convention Centre for New Zealand

- In return, we are seeking:
 - an early renewal of the Auckland casino licence beyond 2021
 - an increase in gaming product to meet demand and provide for future growth, and
 - changes to gaming regulations which would increase the efficiency and attractiveness of the offering we are able to provide our customers

- Shareholders should remain assured that unless we are confident of achieving acceptable returns on capital, the project will not proceed



New Zealand International Convention Centre

Preliminary Concept Drawing



NEW ZEALAND INTERNATIONAL CONVENTION CENTRE
HOBSON STREET looking SOUTH

New Zealand International Convention Centre

Preliminary Concept Drawing



Other New Zealand Highlights

- Our **Hamilton** property continues to perform well, with revenues of \$26.5 million up \$3.2 million (+13.7%) on pcp
 - of this, we estimate revenue of circa \$0.8 million is due to Rugby World Cup visitors who were present during the early stages of the tournament
 - excluding RWC, underlying revenue growth remains strong at circa 10% on pcp
- The addition of a 4+ star hotel with 135 rooms above our Hamilton property is being considered
 - we continue to believe this development would bring much needed quality hotel accommodation to central Hamilton and significantly improve the facilities that we are able to offer to our customers in a market which continues to demonstrate growth
- **Christchurch** has not performed as strongly in the first half due to some shift in machine play from the CBD to the suburbs, as well as general local economic conditions. Nonetheless, we remain supportive of the casino and its longer term prospects



Adelaide Highlights

- Adelaide has continued the strong momentum experienced since 2H11
 - revenue of A\$83 million is up 6.9% and EBITDA of A\$19 million is up 12.9% on pcp
 - strong volume growth in table games increased revenue by more than 7% to A\$41 million
 - gaming machines delivered nearly 9% revenue growth, to A\$33 million
- We believe the opportunity to redevelop the Adelaide Casino into a truly world class integrated entertainment facility, set amidst the redeveloped Adelaide Oval and expanded Adelaide Convention Centre represents an outstanding growth opportunity for SKYCITY
- The South Australian State Government’s Master Plan for the redevelopment of the Adelaide Riverbank Precinct provides for a significant expansion and redevelopment of the Adelaide Casino
 - would potentially allow SKYCITY to create a truly world class integrated entertainment facility, featuring a boutique 5 star hotel, signature restaurants and bars, a spa and roof top pool lounge and expanded gaming facilities including International and VIP gaming suites and salons
- We are working closely with the Casino Task Force regarding the future regulatory framework for the Adelaide Casino. The outcome of these discussions will allow us to determine whether to proceed or not with progressing our plans for the transformation of the Adelaide Casino
- While we are excited about the outstanding growth opportunity this transformational project potentially represents for SKYCITY, shareholders should be assured that this project will only proceed if we can be confident of achieving an acceptable return on the potential investment

Adelaide Riverbank Development Concept



Preliminary Concept Drawing

Adelaide Riverbank Development Concept



Preliminary Concept Drawing

Darwin Highlights

- Darwin gaming revenues are now returning to growth and after several periods of decline EBITDA has now also returned to modest growth
 - local table games in particular had a strong first half, with revenue growth +12%
- Our Lagoon Resort is on budget (A\$40m) and is scheduled to open on time, in July this year
- The resort includes a number of International VIP Villas and gaming pavilions, which will provide our Darwin property the opportunity to compete in the International VIP market
- This, together with the recently announced business class flights direct from Singapore, Darwin's proximity to Asia and the recently announced \$32 billion Inpex Ichthys LNG project, gives us confidence that our Darwin property has a very bright future
- Additionally, the SKYCITY Darwin casino licence has been extended for a further five years to 30 June 2031



Well Funded for Future Growth

- Net Debt : EBITDA of 2.0 times and \$585m committed undrawn facilities. Total cash of \$104m at 1H12
- Debt position was enhanced in 1H12 by a new attractively priced \$185m 7-year commitment from our local bank syndicate
 - this is the first such 7-year bank funding provided in New Zealand for more than a decade
 - it is part term loan, part revolving loan, providing flexibility around drawdown timing
- When the \$256m USPP is repaid in March 2012, there are no further debt maturities until FY15 (the \$200m 3-year maturity has been extended to January 2015)
- This debt profile provides flexibility for potential capex plans and leaves the company well funded for future growth:
 - a further \$94m Capital Notes are held as treasury stock available to be placed in the market. Capital notes currently yield 6.75%
 - additional financing sources are available if required (such as local bank market, USPP, etc)
- We are confident that we have the potential capacity to fund both our planned NZICC development and potential Adelaide developments from existing resources, operational cash flows and current and future debt facilities, while maintaining our policy to pay dividends within the 60-70% NPAT band

Interim Dividend of 9.0 cents per share

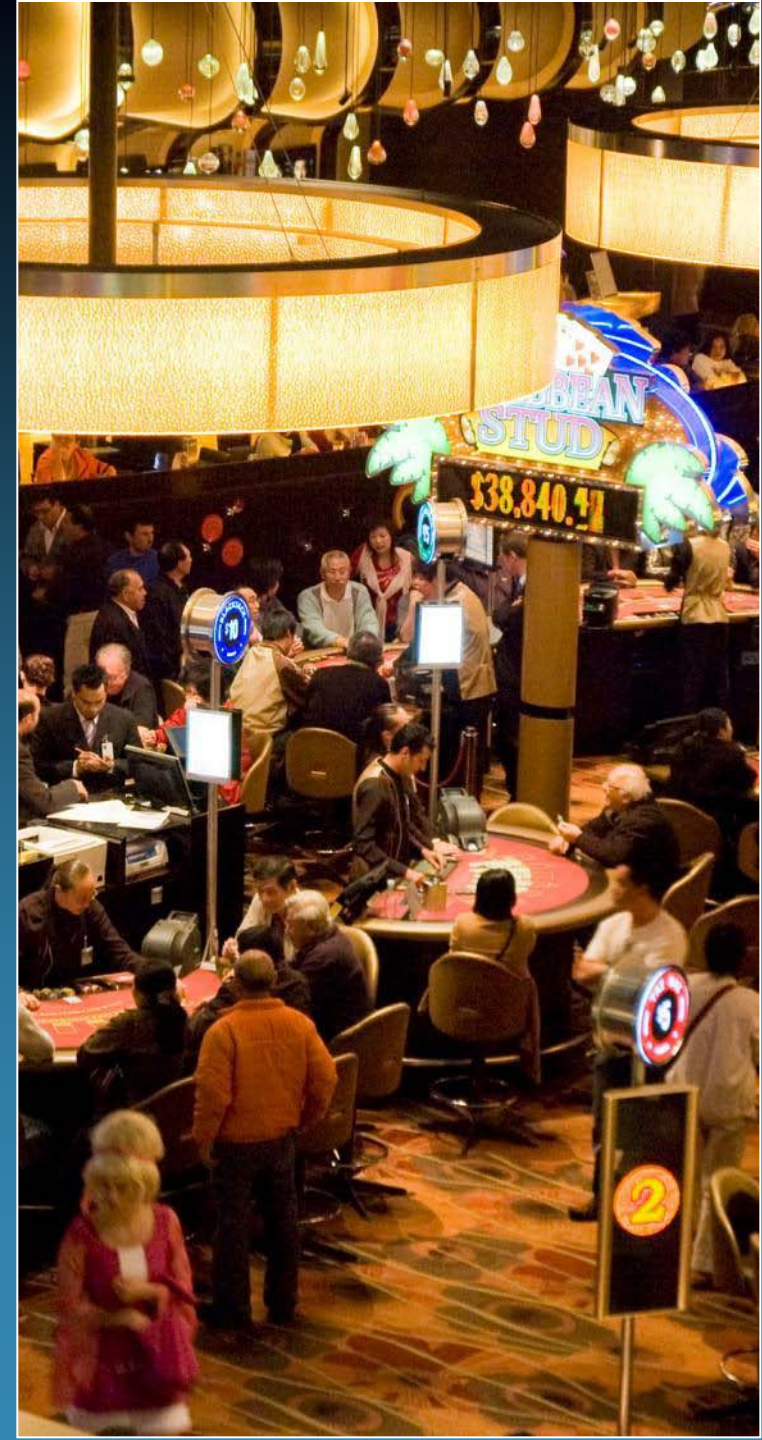
- Interim dividend of 9.0 cps is up 1.0 cent (+12.5%) on 1H 11
 - represents 66% of Group Reported NPAT, in line with policy range of 60%-70%
 - includes upside from the additional RWC 2011 earnings
- 60% imputed at the company's 28% tax rate in New Zealand
- 60% franked for Australian purposes
- Payment date 5 April 2012 (entitlement/record date 22 March 2012)
- Interim dividend represents an annualised gross dividend yield of 6.1% based on the current share price of \$3.63
- Due to the current stage of the negotiations between SKYCITY and the NZ Government in relation to the proposed New Zealand International Convention Centre, SKYCITY considers that it is prudent and appropriate not to apply the Dividend Reinvestment Plan at this time. The company will review this again at the time of the final dividend for FY12

Momentum Continuing – Strong Outlook for FY12

- Group results in January and February 2012, have continued the momentum of the first six months
 - we continue to capitalise on the investments made and strategies put in place
- Total group revenues, in the year to date to 12 February 2012 including normalised international are up 10.0% on pcp, compared to 9.4% at 1H12
- Given:
 - the strong first half results
 - the continued momentum we have experienced in January and February
 - the turnaround in our Auckland table games
 - a strong Chinese New Year, with our Horizon suites and salons in strong demand
 - the success of our capex programme in Auckland
 - **we expect our normalised Net Profit for FY12 to be at the top end of our previous guidance range – in the high \$140 millions**

Appendix

Half Year Period Ended
31 December 2011



SKYCITY Auckland

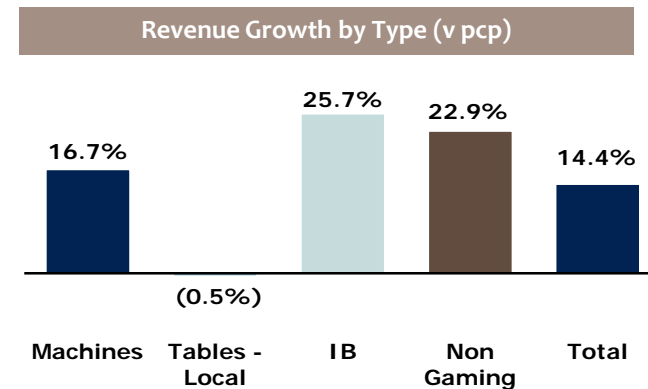
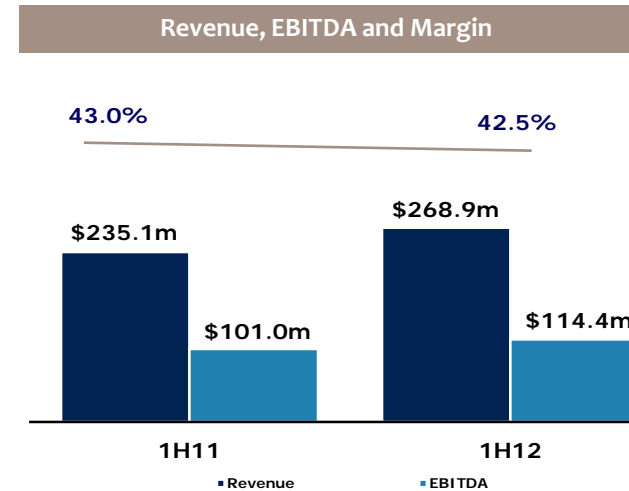
– including Normalised IB

	1H12	1H11	Movement	
	\$m	\$m	\$m	%
Revenues				
Machines	117.9	101.0	16.9	16.7%
Tables – Local	60.5	60.8	(0.3)	(0.5%)
Tables – International (Normalised)	18.6	14.8	3.8	25.7%
Gross Gaming Revenue (incl GST)	197.0	176.6	20.4	11.6%
Food and Beverage	23.1	18.8	4.3	22.9%
Hotels and Conventions	36.9	28.8	8.1	28.1%
Sky Tower, Parking, Other	11.9	10.9	1.0	9.2%
Non-Gaming Revenue	71.9	58.5	13.4	22.9%
Total Revenue (incl gaming GST)	268.9	235.1	33.8	14.4%
Gaming GST	24.6	20.7	(3.9)	(18.8%)
Total Revenue (excl gaming GST)	244.3	214.4	29.9	13.9%
Expenses	129.9	113.4	(16.5)	(14.6%)
Normalised EBITDA including IB	114.4	101.0	13.4	13.3%
<i>EBITDA Margin</i>	42.5%	43.0%		
Auckland IB to Actual win rate	1.1	0.7	0.4	
Reported EBITDA including IB	115.5	101.7	13.8	13.6%

• EBITDA margin is calculated as a % of GST-inclusive gaming revenues and GST-exclusive non-gaming revenues to facilitate Australasian comparisons

SKYCITY Auckland

- Revenues (inclusive of GST) up \$33.8m or 14.4% on pcp
- Gaming machines continues strong revenue growth, +16.7%, reflecting our investment in new VIP gaming rooms
- 1H12 local table games revenue was flat, reflecting high hold of 21.9% in 1H11 (FY11 hold was 20.6%, 2H11 19.4%), compared to 1H12 hold of 19.2%
- However, due largely to the opening of EIGHT, local table games drop increased by 13% to \$315m in 1H12
- Significant growth in non-gaming (22.9%) driven by RWC hotel bookings and F&B revenues
 - Grand Hotel: revenue up 59%. Occupancy of 90%
 - SKYCITY Hotel: revenue up 38%. Occupancy of 93%
- RWC 2011 Revenue and EBITDA of \$10.7m and \$6.0m
 - excluding RWC impact, underlying Revenue and EBITDA growth of 9.8% and 7.3% respectively



■ Gaming revenue figures as shown in the charts on this page are gaming win (inclusive GST). This facilitates Australasian comparisons. It also facilitates period on period comparisons given the GST rate change in New Zealand on 1 October 2010

■ Non gaming revenues are net of GST

■ Total revenues as shown are gaming win plus non-gaming revenues

■ EBITDA margin is calculated as a % of gaming win (GST inclusive) plus non-gaming revenue - to facilitate Australasian and period on period comparisons

SKYCITY Auckland – International Business

Table Games – International Business (IB) in Auckland

- Horizon, our new \$10m investment in private gaming salons and hotel suites for International VIP players, was successfully opened in July, in time for RWC
- 1H12 Turnover was \$1.4bn, +26% on pcp
 - higher actual hold of 1.47% increased win by \$5m (+31%)
- Players have reacted extremely positively to the enhanced facilities. The enlarged facilities allow us to leverage peak periods, such as Chinese New Year
 - turnover was up by more than 50% year on year, during the 2-week holiday period

	1H12	1H11	1H10	Movement 1H12 vs 1H11		Movement 1H12 vs 1H10	
				\$	%	\$	%
Turnover (\$bn)	1.4	1.1	0.5	0.3	25.7%	0.9	195.4%
Normalised Hold %	1.35%	1.35%	1.35%				
Normalised Win (\$m)	18.6	14.8	6.3	3.8	25.7%	12.3	195.4%
Normalised EBITDA (\$m)	4.5	4.1	1.1	0.4	9.8%	3.4	309.1%
Actual Hold %	1.47%	1.42%	1.33%	0.05pts		0.14pts	
Actual Win (\$m)	20.3	15.5	6.2	4.8	31.0%	14.1	227.4%
Actual EBITDA (\$m)	5.6	4.8	1.0	0.8	16.7%	4.6	460.0%

Adelaide Casino

– including Normalised Adelaide IB

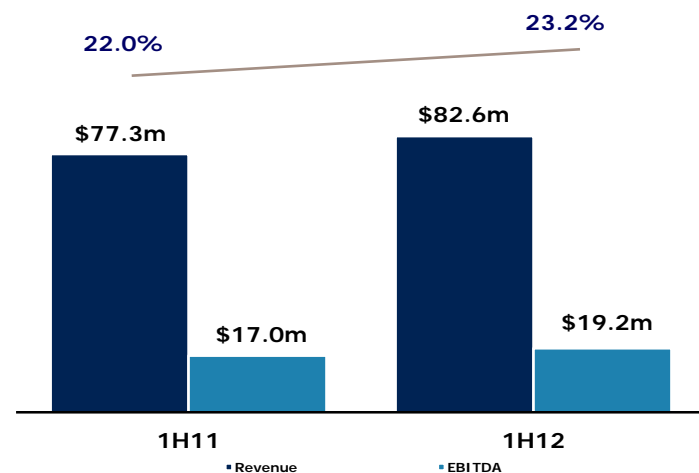
	1H12	1H11	Movement	
	A\$m	A\$m	A\$m	%
Revenues				
Machines	32.5	29.9	2.6	8.7%
Tables – Local	38.4	35.5	2.9	8.2%
Tables – International (Normalised)	2.8	2.9	(0.1)	(3.4%)
Gross Gaming Revenue (incl GST)	73.7	68.3	5.4	7.9%
Food and Beverage, Other	8.9	9.0	(0.1)	(1.1%)
Total Revenue (incl gaming GST)	82.6	77.3	5.3	6.9%
Gaming GST	6.7	6.2	(0.5)	(8.1%)
Total Revenue (excl gaming GST)	75.9	71.1	4.8	6.8%
Expenses	56.7	54.1	(2.6)	(4.8%)
Normalised EBITDA	19.2	17.0	2.2	12.9%
<i>EBITDA Margin</i>	23.2%	22.0%		
Adjust IB to Actual win rate	1.3	0.3	1.0	
Reported EBITDA	20.5	17.3	3.2	18.5%

- EBITDA margin is calculated as a % of GST-inclusive gaming revenues and GST-exclusive non-gaming revenues to facilitate Australasian comparisons

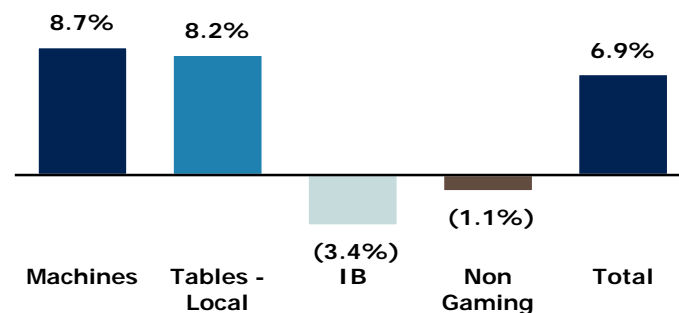
Adelaide Casino

- Another strong performance with solid revenue, EBITDA and margin growth
- Total revenue up 6.9% in a challenging retail environment;
 - pleasing EGM performance driven by strong volume growth in VIP
 - strong table gaming performance impacted by lower than theoretical hold in local VIP (compared to high hold in 1H11), strong growth in drop
 - non-gaming revenues impacted by lower bar trade in the current half compared with a strong 1H11 which featured the Soccer World Cup in July 2010
- Effective cost management continued to deliver record margin for Adelaide
- South Australian retail environment still challenging

Revenue, EBITDA and Margin (A\$)



Revenue Growth by Type (v pcp)



- Gaming revenue figures as shown in the charts on this page are gaming win (inclusive GST). This facilitates Australasian comparisons
- Non gaming revenues are net of GST
- Total revenues as shown are gaming win plus non-gaming revenues
- EBITDA margin is calculated as a % of gaming win (GST inclusive) plus non-gaming revenue - to facilitate Australasian comparisons

SKYCITY Darwin

– including Normalised Darwin IB

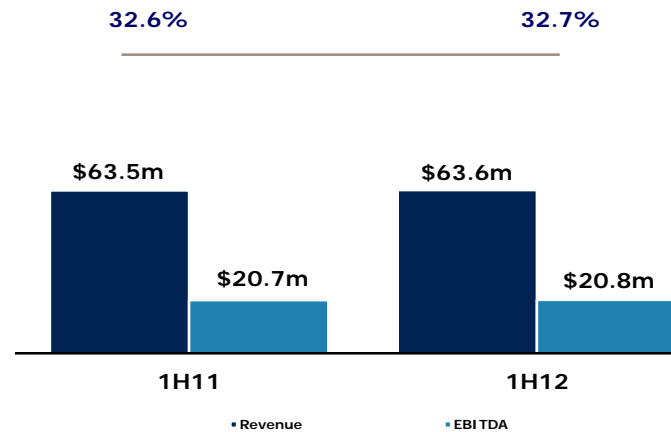
	1H12	1H11	Movement	
	A\$m	A\$m	A\$m	%
Revenues				
Machines	32.4	32.7	(0.3)	(0.9%)
Tables – Local	9.4	8.4	1.0	11.9%
Tables – International (Normalised)	0.0	1.0	(1.0)	(100%)
Keno	7.2	6.5	0.7	10.8%
Gross Gaming Revenue (incl GST)	49.0	48.6	0.4	0.8%
Food and Beverage, Hotel, Other	14.6	14.9	(0.3)	(2.0%)
Total Revenue (incl gaming GST)	63.6	63.5	0.1	0.2%
Gaming GST	4.5	4.4	(0.1)	(2.3%)
Total Revenue (excl gaming GST)	59.1	59.1	0.0	0.0%
Expenses	38.3	38.4	0.1	0.3%
Normalised EBITDA	20.8	20.7	0.1	0.5%
<i>EBITDA Margin</i>	<i>32.7%</i>	<i>32.6%</i>		
Adjust IB to Actual win rate	0.3	(0.7)	1.0	
Reported EBITDA	21.1	20.0	1.1	5.5%

- EBITDA margin is calculated as a % of GST-inclusive gaming revenues and GST-exclusive non-gaming revenues to facilitate Australasian comparisons

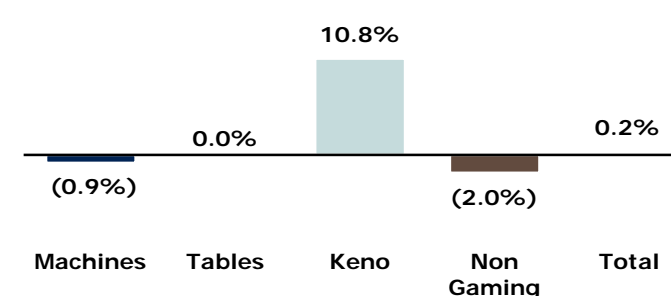
SKYCITY Darwin

- 1H12 comparison to 1H11 is a like for like basis post smoking bans introduced January 2010
- Overall revenues up 0.2% despite a slow start to 1H12
- Gaming machines revenue down 0.9% in a weak Darwin economy with softer tourism visitation
- Local table games revenue up 11.9% with increased operating hours on a revitalised floor layout
- IB normalised revenue decrease has offset the local table games increase
- Keno revenues up over 10% with additional interest in the growing jackpots
- F&B revenue was consistent but hotel revenue was impacted by the ongoing construction to the Tropical Resort
- EBITDA of \$21m is up 0.5% on 1H11 with a consistent margin percentage of 33%
- A number of recent changes to the Executive team will continue to drive operational improvements

Revenue, EBITDA and Margin (A\$)



Revenue Growth by Type (v pcp)



- Gaming revenue figures as shown in the charts on this page are gaming win (inclusive GST). This facilitates Australasian comparisons
- Non gaming revenues are net of GST
- Total revenues as shown are gaming win plus non-gaming revenues
- EBITDA margin is calculated as a % of gaming win (GST inclusive) plus non-gaming revenue - to facilitate Australasian comparisons

SKYCITY Hamilton

– including Normalised Hamilton IB

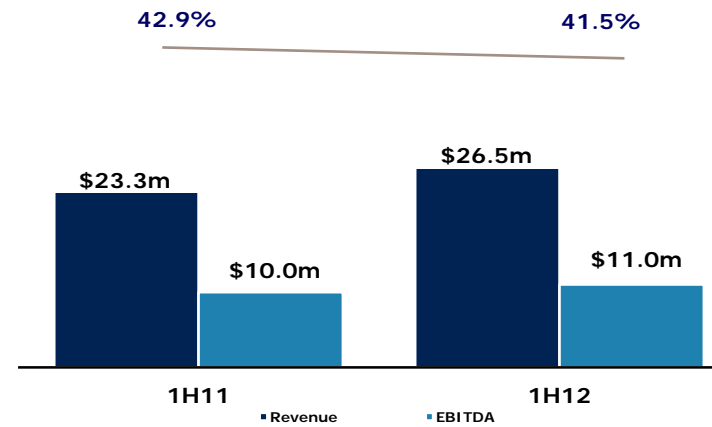
	1H12	1H11	Movement	
	\$m	\$m	\$m	%
Revenues				
Machines	17.1	14.6	2.5	17.1%
Tables – Local	4.6	5.0	(0.4)	(8.0%)
Tables – International (Normalised)	0.4	0.1	0.3	300.0%
Gross Gaming Revenue (incl GST)	22.1	19.7	2.4	12.2%
Food and Beverage, Other	4.4	3.6	0.8	22.2%
Total Revenue (incl gaming GST)	26.5	23.3	3.2	13.7%
Gaming GST	2.9	2.3	(0.6)	(26.1%)
Total Revenue (excl gaming GST)	23.6	21.0	2.6	12.4%
Expenses	12.6	11.0	(1.6)	(14.5%)
Normalised EBITDA	11.0	10.0	1.0	10.0%
<i>EBITDA Margin</i>	41.5%	42.9%		
Adjust IB to Actual win rate	0.5	0.3	0.2	
Reported EBITDA	11.5	10.3	1.2	11.7%

- EBITDA margin is calculated as a % of GST-inclusive gaming revenues and GST-exclusive non-gaming revenues to facilitate Australasian comparisons

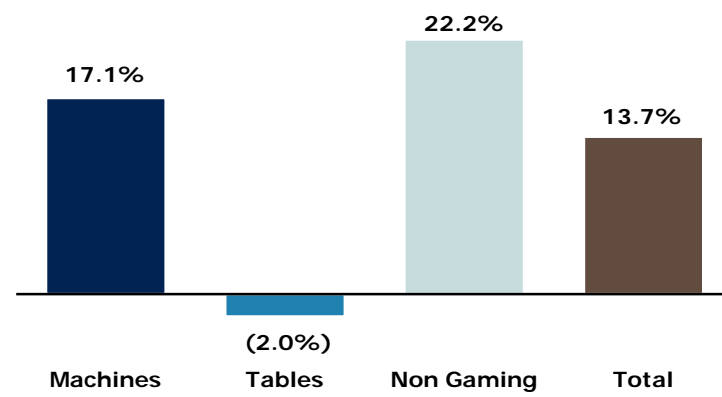
SKYCITY Hamilton

- Hamilton continues to perform well with EBITDA up 10% on pcp
- Hamilton’s performance reflects successful growth initiatives, together with the stronger rural-based economy of the Waikato region
- Machine and non-gaming revenues were both up in 1H12, offset by table games down marginally, delivering an overall revenue growth of 13.7%
- Gaming machine revenue growth a particular highlight, up 17.1%
 - third consecutive half of sequential revenue growth
- RWC 2011 Revenue and EBITDA of \$0.8m and \$0.5m respectively
 - excluding RWC impact, underlying Revenue and EBITDA growth of 10.3% and 5.0% respectively

Revenue, EBITDA and Margin



Revenue Growth by Type (v pcp)



■ Gaming revenue figures as shown in the charts on this page are gaming win (inclusive GST). This facilitates Australasian comparisons. It also facilitates period on period comparisons given the GST rate change in New Zealand on 1 October 2010
 ■ Non gaming revenues are net of GST
 ■ Total revenues as shown are gaming win plus non-gaming revenues
 ■ EBITDA margin is calculated as a % of gaming win (GST inclusive) plus non-gaming revenue - to facilitate Australasian and period on period comparisons

Capex, Depreciation, Interest, Tax

Capex and Depreciation

- 1H12 Capex shown below, totalling \$88m
- 2H12 capex will include Bally gaming system in New Zealand and Adelaide (c.\$10m), completion of Darwin resort (c.\$25m) and general maintenance capex (c.\$25m)
- 1H12 depreciation increase of \$1.5m to \$36.1m reflects recent capex spend, largely in Auckland
- Depreciation and amortisation for full year FY12 projected to be in the mid \$70m's

Capex Spend	1H12
Completion of Auckland \$50m Projects	\$32m
Darwin Resort	\$13m
Other Development Capex	\$8m
Bally	\$4m
Maintenance Capex	\$31m
Total	\$88m

■ Normalised

Debt & Interest: \$25.5m, up \$2.3m (9.9%)

- Higher interest cost in 1H12 reflects refinancing of historically cheaper SKYCITY ACES in December 2010 with new USPP debt
- Average debt balance during 1H12 at \$699m, at average debt cost of 7.3%
- Expect average debt cost to start to reduce in 2H12, as cheaper financing replaces USPP
- Full year interest cost is expected to be circa \$50m

Tax: \$26.8m, up \$0.6m (2.6%)

- Effective tax rate for 1H12 at 25.8% after the decrease in New Zealand corporate tax rate effective 1 July 2011 for SKYCITY
- FY12 tax rate projected to remain broadly consistent with 1H12

1H12 Group Result

Normalised Revenues and Earnings

Normalised	1H12	1H11	Movement	
	\$m	\$m	\$m	%
Revenue (including Gaming GST)	489.0	447.1	41.9	9.4%
Gaming GST	42.1	37.1	(5.0)	(13.5%)
Revenue	446.9	410.0	36.9	9.0%
Expenses	281.4	258.6	(22.8)	(8.8%)
EBITDA	165.5	151.4	14.1	9.3%
Depreciation and Amortisation	36.1	34.6	(1.5)	(4.3%)
EBIT	129.4	116.8	12.6	10.8%
Interest Cost	25.5	23.2	(2.3)	(9.9%)
Net Profit Before Tax	103.9	93.6	10.3	11.0%
Tax and Minority Interest	26.9	26.2	(0.7)	(2.7%)
Normalised NPAT	77.0	67.4	9.6	14.2%

- Revenue (including Gaming GST) is shown above to facilitate Australasian comparisons. It also facilitates period on period comparisons given the GST rate change in New Zealand on 1 October 2010
- Normalised NPAT adjusts for non-recurring items and International Business (IB) at theoretical win rate

Normalised P&L Summary by Business Unit

	1H12										1H11										
	Auckland	Adelaide	Darwin	Total Australia	Total Australia	Hamilton	Christchurch	Other NZ Operations	Corporate	SKYCITY Group	Auckland	Adelaide	Darwin	Total Australia	Total Australia	Hamilton	Christchurch	Other NZ Operations	Corporate	SKYCITY Group	
	NZ\$m	A\$m	A\$m	A\$m	NZ\$m	NZ\$m	NZ\$m	NZ\$m	NZ\$m	NZ\$m	NZ\$m	A\$m	A\$m	A\$m	NZ\$m	NZ\$m	NZ\$m	NZ\$m	NZ\$m	NZ\$m	
New Zealand operations expressed in NZ\$m Australian operations expressed in A\$m (normalised)																					
Gross Gaming revenue - Normalised	197.0	73.7	49.0	122.7	157.0	22.1	0.0	3.5	0.0	379.6	176.6	68.3	48.6	116.9	150.6	19.7	0.0	3.1	0.0	350.0	
Non-Gaming Revenue	71.9	8.9	14.6	23.5	30.0	4.4	2.5	0.6	0.0	109.4	58.5	9.0	14.9	23.9	30.7	3.6	3.3	1.0	0.0	97.1	
Total Revenue - Normalised (incl Gaming GST)	268.9	82.6	63.6	146.2	187.0	26.5	2.5	4.1	0.0	489.0	235.1	77.3	63.5	140.8	181.3	23.3	3.3	4.1	0.0	447.1	
Gaming GST - Normalised	(24.6)	(6.7)	(4.5)	(11.2)	(14.1)	(2.9)	0.0	(0.5)		(42.1)	(20.7)	(6.2)	(4.4)	(10.6)	(13.7)	(2.3)	0.0	(0.4)		(37.1)	
Total Revenue - Normalised (excl Gaming GST)	244.3	75.9	59.1	135.0	172.9	23.6	2.5	3.6	0.0	446.9	214.4	71.1	59.1	130.2	167.6	21.0	3.3	3.7	0.0	410.0	
Expenses - Normalised	129.9	56.7	38.3	95.0	121.9	12.6	0.0	3.1	13.9	281.4	113.4	54.1	38.4	92.5	118.9	11.0	0.0	3.3	12.0	258.6	
EBITDA - Normalised	114.4	19.2	20.8	40.0	51.0	11.0	2.5	0.5	(13.9)	165.5	101.0	17.0	20.7	37.7	48.7	10.0	3.3	0.4	(12.0)	151.4	
	42.5%	23.2%	32.7%	27.4%	27.3%	41.5%	100.0%	12.2%		33.8%	43.0%	22.0%	32.6%	26.8%	26.9%	42.9%	100.0%	9.8%		33.9%	
Depreciation	19.5	3.1	4.4	7.5	9.6	2.4	0.0	0.5	1.3	33.3	17.4	3.1	4.5	7.6	9.8	1.9	0.0	0.6	0.9	30.6	
Amortisation	0.0	1.0	0.1	1.1	1.4			0.0	1.4	2.8	0.0	1.0	0.1	1.1	1.4			0.0	2.6	4.0	
EBIT	94.9	15.1	16.3	31.4	40.0	8.6	2.5	0.0	(16.6)	129.4	83.6	12.9	16.1	29.0	37.5	8.1	3.3	(0.2)	(15.5)	116.8	
	35.3%	18.3%	25.6%	21.5%	21.4%	32.5%	100.0%	0.0%		26.5%	35.6%	16.7%	25.4%	20.6%	20.7%	34.8%	100.0%	(4.9%)		26.1%	
Funding										25.5										23.2	
Net Profit before tax										103.9										93.6	
										21.2%										20.9%	
Tax										26.8										26.2	
Minority Interest (Queenstown)										0.1										0.0	
Normalised Net Profit										77.0										67.4	

- Other NZ Operations includes Queenstown and other minor operations. Minority Interests relate to SKYCITY Queenstown
- EBITDA margin is calculated as a % of GST-inclusive gaming revenues and GST-exclusive non-gaming revenues to facilitate Australasian comparisons

Reported and Normalised Earnings

	1H12				1H11			
	Revenue \$m	EBITDA \$m	EBIT \$m	NPAT \$m	Revenue \$m	EBITDA \$m	EBIT \$m	NPAT \$m
Reported	494.0	168.2	132.0	78.8	447.7	150.9	116.3	67.1
Restructuring Costs		0.3	0.3	0.2	-	0.6	0.6	0.4
Canterbury Earthquake Charity					-	0.3	0.3	0.2
Other NRI		0.5	0.6	0.5				
Total NRI		0.8	0.9	0.7	-	0.9	0.9	0.6
Adjusted for NRI	494.0	169.0	132.9	79.5	447.7	151.8	117.2	67.7
International Business at Theoretical	(5.0)	(3.5)	(3.5)	(2.5)	(0.6)	(0.4)	(0.4)	(0.3)
Normalised	489.0	165.5	129.4	77.0	447.1	151.4	116.8	67.4

- Revenue includes GST inclusive gaming revenues and GST exclusive non-gaming revenues
- 'Normalised' (underlying) earnings eliminates non-recurring items and adjusts international VIP commission business win rate to theoretical

1H12 Notes re Reported and Normalised Earnings

- Other NRI includes one-off costs associated with opening the new Auckland facilities and other miscellaneous items
- IB win rate at 1.64% for 1H12. Adjustment to theoretical win rate of 1.35% reduces IB (normalised) EBITDA by \$3.5m from \$8.6m to \$5.1m
- Gaming revenue figures reflect gaming win (inclusive of gaming GST). This facilitates Australasian comparisons. It also facilitates period on period comparisons given the GST rate change in New Zealand on 1 October 2010
- Non-gaming revenues are net of GST
- Total revenues are gaming win plus non-gaming revenues
- EBITDA margin is calculated as a % of gaming win (GST inclusive) plus non-gaming revenue - to facilitate Australasian and period on period comparisons



International Business Consolidated Result

	1H12	1H11	Movement	
	NZ\$m	NZ\$m	NZ\$m	%
Actual Revenue (incl Gaming GST)				
Auckland	20.3	15.5	4.8	31.0%
Other	7.5	5.1	2.4	47.1%
Total Actual Revenue	27.8	20.6	7.2	35.0%
Actual EBITDA				
Auckland	5.6	4.8	0.8	16.7%
Other	3.0	1.2	1.8	150.0%
Total Actual EBITDA	8.6	6.0	2.6	43.3%
Actual Win Rate				
Auckland	1.47%	1.42%	0.05 pts	
Other	2.24%	1.49%	0.75 pts	
Total Actual Win Rate	1.64%	1.39%	0.25 pts	
Normalised Revenue (incl Gaming GST)				
Auckland	18.6	14.8	3.8	25.7%
Other	4.2	5.2	(1.0)	(19.2%)
Total Normalised Revenue	22.8	20.0	2.8	14.0%
Normalised EBITDA				
Auckland	4.5	4.1	0.4	9.8%
Other	0.6	1.5	(0.9)	(60.0%)
Total Normalised EBITDA	5.1	5.6	(0.5)	(8.9%)

▪ The difference between Normalised and Reported can be seen on page 34

Cash Flows

- Consistent and reliable cash flows
 - SKYCITY continues to generate strong cash flows
 - cash flows from operating activities were \$164m and \$122m in 1H12 and 1H11 respectively
- Capex spend \$88m
 - capex includes completing Horizon/Eight (\$15m), Diamond Room (\$5m), Fortuna Buffet (\$3m) and Federal Street (\$7m), as well as continued development of the Darwin Tropical Resort (A\$10m). The balance broadly consists of development and maintenance capex across all sites¹
- Working Capital/Other
 - these adjustments relate primarily to movements in the underlying working capital of the Group. 1H12 largely related to a decrease in receivables while 1H11 relates to movements in receivables, payables and inventory

Cashflow summary	1H12	1H11
Reported EBITDA	168.2	150.9
Tax paid	(11.8)	(19.2)
Working capital/other	7.1	(9.4)
Operating cash flow	163.5	122.3
Capex - net	(87.5)	(35.6)
Free cash flow	76.0	86.7
Dividends	(41.3)	(53.2)
Interest paid	(27.9)	(19.5)
Share purchases	(7.5)	(3.8)
Repayment of debt	-	(199.4)
New debt	-	163.0
Derivatives/other	0.1	0.1
Change in cash balance	(0.6)	(26.1)
Opening cash balance	104.6	102.5
Closing cash balance	104.0	76.4

¹ Dollar amounts represent cash expenditure in 1H12

Consolidated Balance Sheet

SKYCITY Entertainment Group Limited

Equity	As at 31/12/11 NZ\$m	As at 30/06/11 NZ\$m	Movement NZ\$m
Share Capital	726.6	728.6	(2.0)
Retained profits	73.9	41.1	32.8
Reserves	9.7	3.7	6.0
Minority interests	1.5	1.4	0.1
Total Equity	811.7	774.8	36.9
Current Assets			
Cash and bank	104.0	104.6	(0.6)
Receivables and prepayments	23.2	30.9	(7.7)
Inventories	8.0	7.0	1.0
Tax prepayment	36.4	36.6	(0.2)
Derivative financial instruments	2.6	0.3	2.3
Total Current Assets	174.2	179.4	(5.2)
Non-Current Assets			
Property, plant and equipment	1,031.6	991.3	40.3
Intangible assets	419.1	410.4	8.7
Investments in associates	75.2	73.8	1.4
Tax prepayment	14.6	27.8	(13.2)
Derivative financial instruments	21.7	-	21.7
Total Non-Current Assets	1,562.2	1,503.3	58.9
Total Assets	1,736.4	1,682.7	53.7

Consolidated Balance Sheet (continued)

SKYCITY Entertainment Group Limited

	As at 31/12/11 NZ\$m	As at 30/06/11 NZ\$m	Movement NZ\$m
Total Assets (carried forward)	1,736.4	1,682.7	53.7
Current Liabilities			
Payables	98.7	110.9	12.2
Current tax liabilities	9.4	5.3	(4.1)
USPP - Current	256.1	247.3	(8.8)
Derivative financial instruments	1.0	10.1	9.1
Total Current Liabilities	365.2	373.6	8.4
Non-Current Liabilities			
USPP - Term	370.7	350.2	(20.5)
Subordinated debt - capital notes	56.4	56.4	0.0
Deferred tax liabilities	92.4	94.3	1.9
Derivative financial instruments	40.0	33.4	(6.6)
Total Non-Current Liabilities	559.5	534.3	(25.2)
Total Liabilities	924.7	907.9	(16.8)
Net Assets	811.7	774.8	36.9
Net Debt (excluding cash in house)	630.0	598.2	(31.8)
Net Debt:EBITDA	2.0	2.0	
Net Position of Derivative Financial Instruments included in Balance Sheet Assets/(Liabilities)	(16.7)	(43.2)	26.5

Balance Sheet Notes

■ Equity

- Movements in share capital relate to the employee long-term incentive plan and the dividend reinvestment plan
- Movement in retained profits records the current period's net profit after tax less the FY11 final dividend
- Reserves
 - the movement in foreign currency translation reserve reflects changes in the New Zealand dollar value of the company's net Australian assets due to movements in the NZD/AUD exchange rate
 - the movement in the cash flow hedge reserve represents fair value movements in SKYCITY's interest rate and cross currency interest rate swaps that are part of cash flow hedging relationships
- Minority interest of \$1.5m is Skyline Enterprises' 40% shareholding in Queenstown Casino

■ Current Assets

- Cash and bank balances: \$53.2m interest-bearing deposits and \$50.8m cash held in-house/on-property
- Tax prepayments (\$36.4m) also appear on the balance sheet under Non-Current Assets (\$14.6m), and Current Liabilities (\$9.4m). The tax prepayments balances relate to the timing of tax payments

Balance Sheet Notes continued

■ Non-Current Assets

- \$40.3m increase in Property, Plant and Equipment relates primarily to additions (Horizon/Eight, Diamond Room, Fortuna Buffet, Federal Street, Darwin Tropical Resort and gaming machines) and the impact of movement in the NZD/AUD exchange rate (+\$4.3m impact), partially offset by depreciation
- The increase in intangible assets is largely the result of movements in the NZD/AUD exchange rate and the new Bally Gaming System
- Investments in Associates comprise SKYCITY's investment in Christchurch Casinos Limited (CCL) (effective ownership 50%). The balance of the investment in CCL is held via shareholder advances

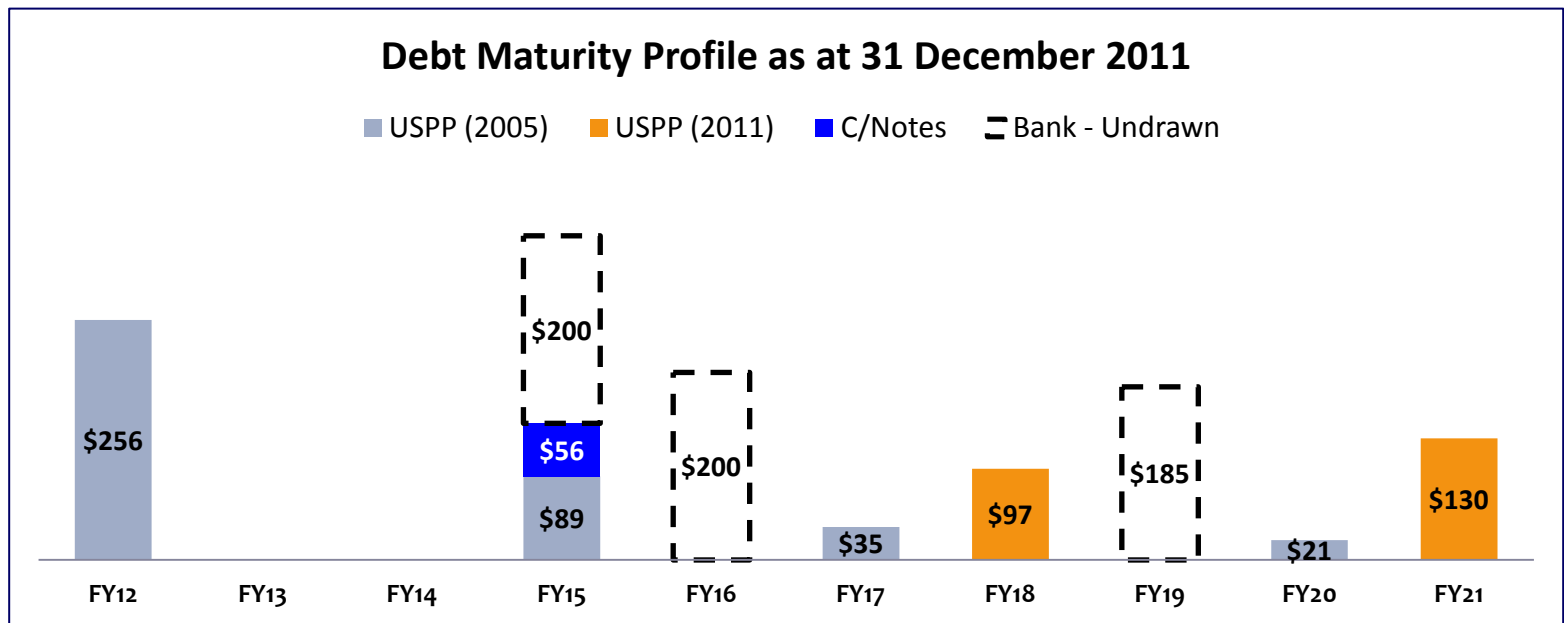
■ Current and Non-Current Liabilities

- Derivative financial instruments represent the market value of interest rate swaps, cross currency interest rate swaps and forward foreign exchange contracts
- At 31 December 2011, SKYCITY's committed syndicated bank facility was undrawn
- The company has a working capital deficit as at 31 December 2011 due to the 15 March 2012 maturity of USPP \$256.1m. The Group has obtained additional committed funding available for draw down from March 2012 and has the ability to fully repay the debt due



Debt Profile

Following obtaining the additional \$185m bank facility our debt profile is now:



Australian Dollar Earnings Adelaide and Darwin

- 1H12 NPAT result comparison to 1H11 is impacted by NZD/AUD exchange rate
- Average NZD/AUD cross-rate during 1H12 0.7835
- Average NZD/AUD cross-rate during 1H11 0.7795
- Restating 1H11 prior period at 0.7835 to remove the FX differential would have the following impact

1H11 Reported EBITDA (-\$0.2m)

1H11 Normalised NPAT (-\$0.1m)



Disclaimer

- *All information included in this presentation is provided as at 15 February 2012.*
- *The presentation includes a number of forward-looking statements. Forward looking statements, by their nature, involve inherent risks and uncertainties. Many of those risks and uncertainties are matters which are beyond SKYCITY's control and could cause actual results to differ from those predicted. Variations could either be materially positive or materially negative.*
- *This presentation has not taken into account any particular investor's investment objectives or other circumstances. Investors are encouraged to make an independent assessment of SKYCITY.*

