

Sky City underlying full year net profit rises 12 pct

Wellington, Aug 17 NZPA - Sky City Entertainment Group reported a 12 percent rise in underlying net profit to \$129.1 million, despite a 1 percent fall in revenue to \$837.9 million

Net profit, before a tax adjustment for the Government's tax change to building depreciation, for the year to the end of June, rose 22.9 percent to \$141.7m, while bottom line net profit was down 11.5 percent to \$102m

The company is to pay a final dividend of 9.25c per share, taking the full year dividend to 17.25cps. The previous year the final dividend was 6.5cps and full year dividend was 15.5cps

Sky City said that while revenues were down 1 percent, expenses fell 1.2 percent to \$539.3m

Effective capital management, together with tight control over capital spending saw the repayment of \$254m of debt during the year, Sky City said

Chief executive Nigel Morrison said strong competition for discretionary spending by consumers had resulted in flat returns in this country and modest earnings growth in Australia

The economic environment in New Zealand and Australia remained uncertain and would continue to have an impact on gaming markets and earnings," Mr Morrison said

"However we expect to continue to deliver improved returns as the economy recovers."NZPA WGT mjd
nb17/08/10 10-35NZ