

SKYCITY  
Entertainment  
Group Limited

# Investor Presentation Auckland

Thursday 9 December 2010



# Agenda

- n Introduction
- n Operations Update - Auckland
- n Rugby World Cup
- n Economic Environment - New Zealand
- n Finance and Funding
- n Darwin
- n International Business
- n Current Projects: Auckland
- n Major Development Opportunities
- n Christchurch
- n Closing Comments and Q&A
- n Site Tour



# INTRODUCTION

Nigel Morrison

# Management

## n New Executives

- Brad Morgan Darwin
- Danny Bucalo F&B, Auckland
- Tamsyn Alley Marketing
- Peter Lawrence VIP, Auckland
- Aaron Morrison Group Business Development

## n New Roles

- Simon Jamieson Projects and Facilities, Auckland
- Ejaaz Dean International Business
- Callum Mallet Hotels, Auckland

- n David Christian Adelaide
- Kierren Gersbach Gaming Machines, Auckland
- Nick Snow VIP Gaming Machines, Auckland
- Alistair Ryan CFO
- Grainne Troute Group Services and HR



# AUCKLAND GAMING MACHINES

Kierren Gersbach  
Nick Snow  
Tamsyn Alley

# Auckland Gaming Machines

- n Auckland gaming machine revenues are a primary contributor to the Auckland, and therefore Group, financial result
- n Auckland gaming machines have not shown any sustained growth over the last 5 years
- n Auckland gaming machine revenues are starting to respond to effective marketing, promotional, and customer initiatives
- n We are giving greater recognition to the VIP machine player segment with new facilities in progress and planned
- n Gaming machine revenue (win), after a softer start to FY11, is starting to gain traction with revenues up 5% for the 3 months ended November compared to the same period last year

# Strong Gaming Machines Performance

## n Performance YTD

- Win marginally up on last year. A slower start to the year in the first two months but a good recovery Sep-Nov
- Growth in overall carded play up 6%. Platinum tier up 36% and Platinum VIP up 7.7%
- Focus on conversion of uncared to carded
- Uncarded play down 4% on last year offset by increase in carded play
- Our various initiatives are producing results
- Visitation up 7% with Loyalty programme visitation up 8% since April

# Strong Gaming Machines Performance

## n Improved Product Offering Sep-Nov

- Capital investment in gaming product with improvements to gaming signage
- Customers responding well to new product like IGT NEO and Konami Podium
- Vegas Star - opportunity for customers to play Roulette at \$1
- New manufacturers in the NZ casino domain. Ainsworth returning to market in January. Working with Williams, Bally and Aruze
- Stargames and Aristocrat releasing new gaming machine platforms
- Introduction of new gaming monitoring system



# Auckland Gaming - Recent Completions, Current and Proposed Projects

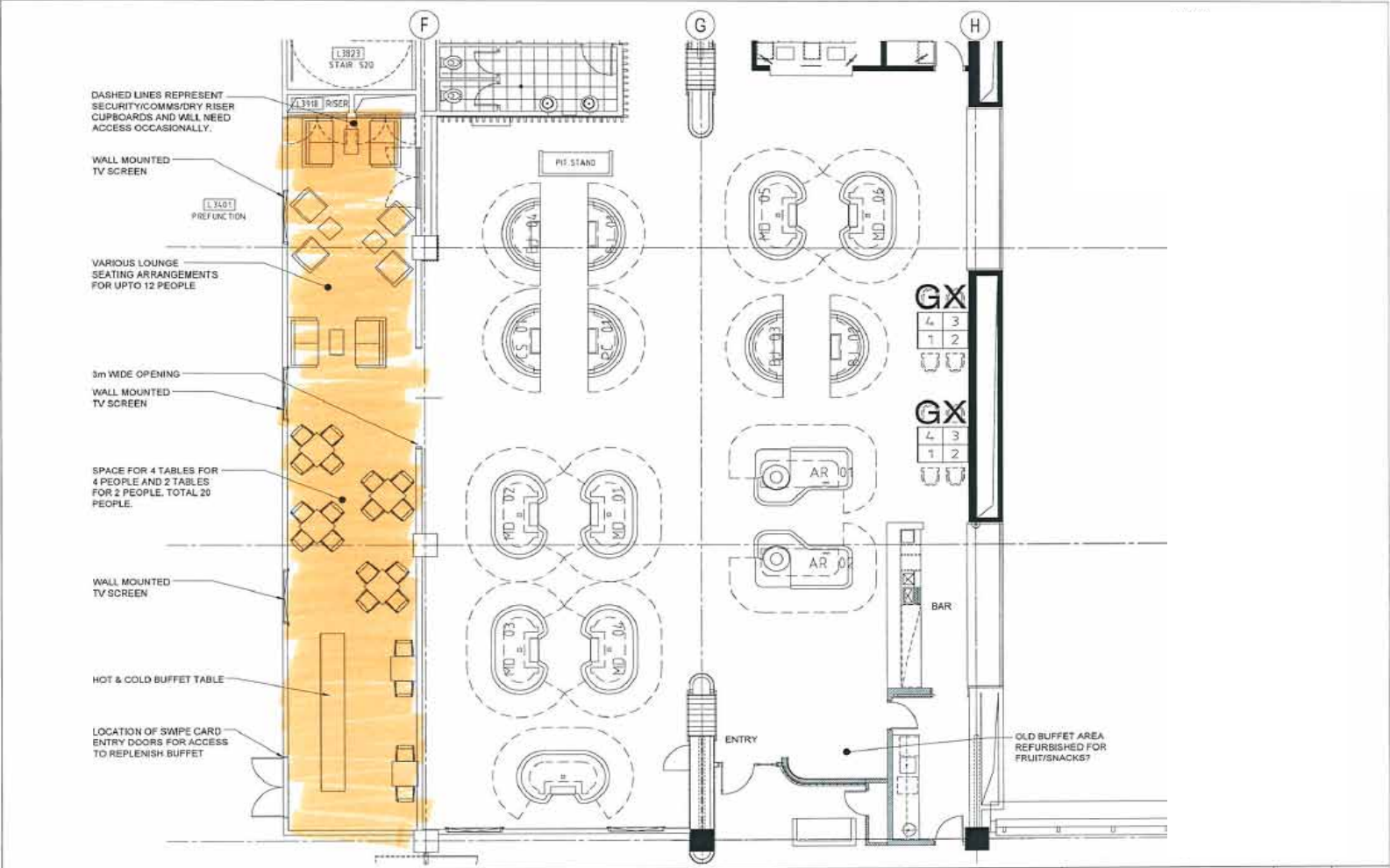
- n Cent City gaming zone
- n Pacific Room extension - VIP Tables
- n Jade Dragon - improved Cantonese offering
- n Rebo Cafe refurbished
- n Platinum Room renovation (level 3)
- n Proposed Diamond Room (level 2)

# Main Gaming Floor - Cent City

- n Cent City 1c zone continues its strong performance and reacts positively to strategic product changes



# Auckland - Pacific Room Extension



# Auckland - Jade Dragon



# Auckland - Rebo Refurbishment



# New Facilities: VIP Machine Players

## n Platinum Room Renovation (in 2 stages)

- Phase 1 opening next week
- Phase 2 to start after holiday period and scheduled for completion May 2011
- 270 machines
- 24% of total gaming machine revenues in Platinum Room  
37% in Platinum tier
- new improved facilities expected to grow revenues for Platinum tier

## n Diamond Room

- in design stage
- Diamond tier facility on level 2 (MGF) in the Fortuna space
- Fortuna would relocate to level 3
- will be subject to regulatory approval
- up to 250 machines
- new facilities expected to grow revenues for Diamond tier

# VIP Machines - Platinum Refurbishment



VIP + PLATINUM GAMING & LOUNGE  
SKYCITY

Platinum Room - Rendered View

WINGATE FARQUHAR

# VIP Machines - Platinum Refurbishment



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VIP - PLATINUM GAMING ROOMS  
LEVEL 3 SKYCITY

10019 NOV 2010  
AUCKLAND CBD

VIP ROOM PERSPECTIVE  
INFORMATION

WINGATE  
FARQUHAR



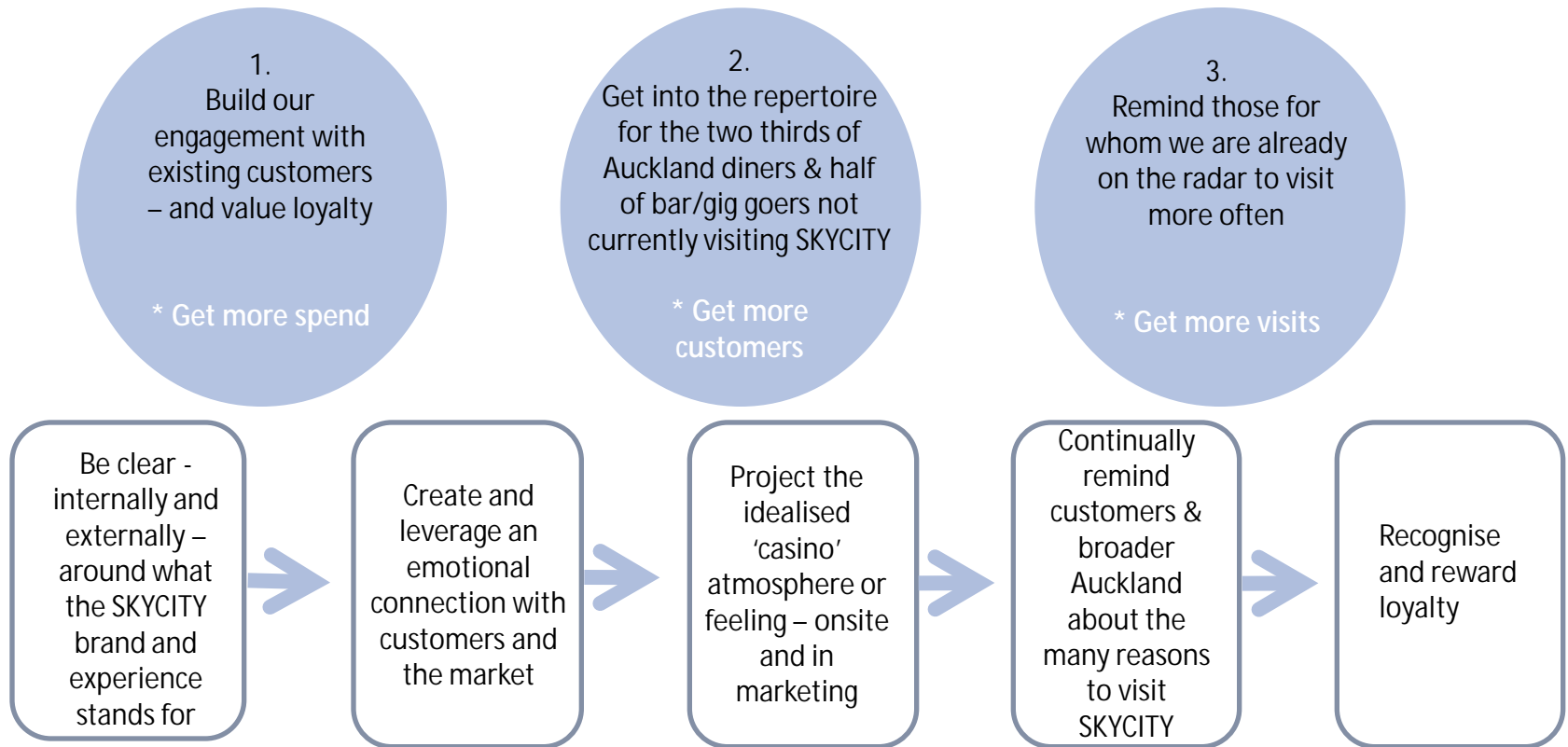
# Diamond Tier - Customer Segmentation

- n Grow the segment - local players
- n Create new zone for these customers - Diamond Lounge
- n Fortuna Buffet relocation to L3
- n Additional main gaming floor gaming space on L2
- n Further segmentation of customer groups
  - A new Diamond Room with its own jackpots, bar, food offering, staff and facilities
- n \$4m capex
- n Ready by the end of 2011
- n Subject to regulatory approval

# Diamond Room



# Our Marketing Strategy



Grow awareness, positivity and drive visitation/revenue  
An entertainment destination with a critical mass of restaurants  
and bar offerings

# The brand campaign and tactical strategy continues to deliver positive results



## Recognition

50% of Aucklanders recall seeing our ads

## Branding

95% brand our advertising correctly/47% of Aucklanders

## Likeability

50% Like our ads

## Message

SKYCITY is the place to be for a great day/night out!

## Action

Visitation is increasing

More momentum in 2011 as we prepare for the launch of our exciting new developments - Christmas, New Year's Eve, Chinese New Year, 15<sup>th</sup> Birthday Celebrations, Festival of Comedy, VIP Tables Relaunch, Rugby World Cup ...



# New Zealand Regulatory Environment

- n NZ casinos are regulated under the Gambling Act 2003
- n Primary focus of the 2003 Gambling Act is around harm minimisation
  - little or no recognition of the important economic and tourism contribution of the industry (is the case in Australia)
  - policy is determined in this context
- n SKYCITY is constantly seeking to engage with government to provide a more balanced approach to casino regulation
- n SKYCITY would like to see changes to the Gambling Act to help mitigate various operational and product-based challenges

# New Zealand - Key Product/Operational Challenges

- n 'No further opportunities to gamble' condition effectively caps number of machines and tables at current levels and restricts introduction of new/alternative gaming product
- n TITO approved for 300 machines only (max \$500 ticket value). Unable to roll out TITO technology to our other 1,350 machines
- n Difficulties in implementing routine gaming layout and gaming mix changes
- n Inability to advertise jackpots - our primary point of difference (as regards product) with pubs and clubs
- n Banknote acceptors limited to \$20
- n Minimum entry age - 20 years old
- n Multi-terminal games classified as EGMs: 1 terminal = 1 machine
- n Universe of games available to the NZ market is restricted given
  - PIDs compliance
  - single operating protocol for machines



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# RUGBY WORLD CUP 2011

Simon Jamieson  
Ejaaz Dean



# Rugby World Cup and SKYCITY

- n Expected EBITDA uplift of 20%-25% on 1H10 (~ \$20m-\$25m)
- n Hotels holding high occupancy and high average rates
- n Gaming expected to have uplift in revenues similar to 2005 Lions tour
- n Food and beverage, conventions and Sky Tower will enjoy peak visitation through the 2 month plus period
- n Creation of temporary hospitality venues around the property to capitalise on visitation
- n All transport to Eden Park will be departing and returning to Albert Street - at our entrance
- n Benefits also in Hamilton, Christchurch, Queenstown

# Gaming

- n Gaming revenue impact has been assessed based on detailed visitation numbers and the customer profiles associated with each have been factored into the gaming visitation and spend estimates
- n Gaming revenue is expected to grow by just under 13% (\$18m) 1H12 v 1H10
- n At the same time making sure that regular customers are well looked after during the Rugby World Cup period

# Non-Gaming

## Restaurants and Bars, Hotels, Conventions, Sky Tower, Parking

- n Auckland non-gaming revenues expected to be up 30% in 1H12 on 1H10, approximately \$18m
- n Detailed assessments conducted for each outlet - based on previous experience such as the Lions tour (2005) and taking into account the game programme, the teams playing and their expected supporter bases
- n Most of our restaurants and bars are expected to deliver significant revenue uplift through increased demand from visitors
- n Conventions revenues will be driven by the large bar to be created on level 5 (airbridge level) with a focus on dinners and cocktail parties on level 4
- n Increased revenues at Sky Tower will be driven by RWC international and domestic visitation



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# NEW ZEALAND ECONOMIC ENVIRONMENT

Alistair Ryan

# New Zealand Economic Environment

- n The overall picture for the wider New Zealand economy remains subdued but with a gradual recovery anticipated during 2011
  - Economic indicators including GDP haven't yet recovered to 2008 levels
  - Economists are picking it as slow grind rather than a V-shaped recovery
  - Consumer and business confidence has declined through 2010, although recent retail stats may be starting to show some positive indications
  - The job market is slow and expected to take some time to fully recover
  - Consumers are deleveraging equals lower spending levels
  - Personal tax cuts v GST increase

# Economic Environment

- n However signs for SKYCITY are more encouraging
  - Auckland revenues for the first 5 months of FY11 are up marginally on the corresponding period last year
  - More recent results (Sep-Nov period) show gaming machine revenues up 5% over same period last year
  - Hotels and F&B showing good growth despite the recessionary environment
  - Local VIP tables continue soft but are expected to recover as the economy recovers
  - Personal tax cuts (from 1 October) appear to be having an impact on visitation and spend
  - Rugby World Cup in Sep/Oct 2011 will be a significant event for New Zealand and will generate additional revenues for SKYCITY Auckland (and our Hamilton, Christchurch and Queenstown properties) in 1H12
  - Good response to marketing, product and new facility initiatives is resulting in increased visitation to the Auckland complex



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# FINANCING AND FUNDING

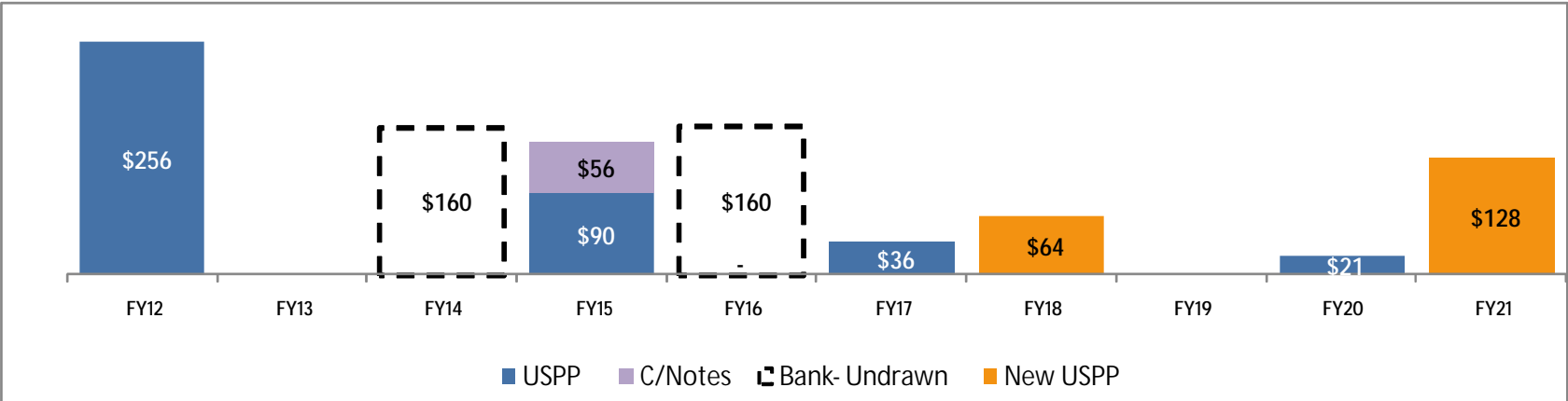
Alistair Ryan

# Financing, Funding

- n Strong balance sheet
- n Expect to be able to debt-fund our investment programme subject to confirmations and timings
- n ACES repayment A\$150m on 15 December. Cash ~ NZ\$35m plus new USPP
- n New USPP: US\$150m, split US\$50m 7 year term, US\$100m 10 year term
- n Bank facility renewal from 1 April 2011
- n Debt position at 30 June 2011 projected at \$650m
- n Funding cost for FY11 projected at \$48m



# Projected Debt Profile at 30 June 2011





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# DARWIN

## Brad Morgan

# Property Overview

- n 750 gaming machines, 28 gaming tables
- n 120 hotel rooms
- n 4 restaurants
- n 5 bars
- n Function and banquet facilities - inside, outside
- n Entertainment - indoor entertainment/ outdoor concerts

# Smoke Free Legislation

Smoking reforms introduced January 2010

- n Smoking balconies in place prior to no smoking
- n Gaming revenue YTD 7% down on same period last year
- n Non-gaming revenues 5% YTD favourable to same period last year
- n Gaming revenues across the NT show a 15% decrease

# Recent Projects

- n Platinum Room
- n Southern Cross Room
- n Smoking balconies
- n il Piatto Restaurant
- n Sand Bar
- n Refurbishments
  - Hotel rooms
  - Sunset Restaurant



# Site Tour



# Resort Development

- n Little Mindil (Stage 1, land and land development including 250 new carparking spaces and outdoor event area) completed on time and to budget: A\$11.5m
- n The Little Mindil Lagoon and Resort (Stage 2) will feature
  - 4 VIP super villas (primarily for international VIP gaming clients)
  - 32 luxury poolside villas
  - heated saltwater swimming lagoon
  - world-class spa complex
  - new poolside restaurant and bar
- n Ground works commenced in September 2010 and building works are scheduled to commence in March 2011
- n Stage 2 forecast to be completed mid 2012, capex for the lagoon pool and resort development at A\$40m

# Tropical Resort





# Tropical Resort



# Darwin Potential

- n We believe the Darwin property has significant upside potential, both for the domestic and international tourism and gaming markets
- n Close proximity to Asia (Darwin is closer to 5 capital cities in Asia than to the capital city of Australia)
- n However currently suffers from lack of appropriate air lift
- n Major expansion for Darwin International Airport planned A\$100m+ commencing 2011
- n New flights announced by Qantas and Jetstar
- n NT Government in advanced discussions with Asian carriers to establish routes



# Strong Economic Environment and Outlook for NT

- n Northern Territory economy continues to grow
  - Economic growth forecast at 3.6% in 2010-11
- n Key economic statistics for NT are positive
- n Darwin Projects
  - Darwin Waterfront: \$1.1 billion project is nearing completion
  - Convention centre, hotels, residential apartments
- n Inpex
  - Full-time workforce of 300 people over the 40 year life of the project
  - More than 2,000 construction workers over the next 4-5 years

# Outlook

- n Strong economy
  - indicators highlight Darwin's good growth opportunities compared to other states
  - Inpex contributing to positive economic growth
- n Smoking ban impact will mitigate
- n Casino
  - senior management restructuring
  - revise slot layout
  - increase table game numbers
- n Internal operational improvements

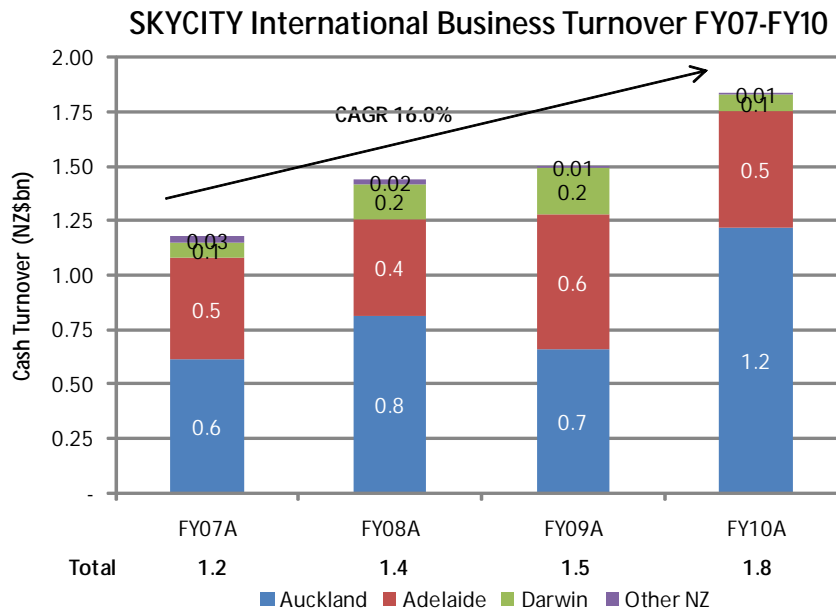


# INTERNATIONAL BUSINESS

Ejaaz Dean

# International Business

- SKYCITY has delivered strong and consistent growth in International Business cash turnover for FY07 to FY10 at a CAGR of 16.0%, and Q1 F11 is up 86% versus Q1 FY10. Trend continuing in Q2
- VIP Sales offices located in Australia and throughout Asia
- New senior position for IB: President of International Business (Ejaaz Dean)



# International Business: Growth Continues

- n Turnover growth continues: 5 months YTD
  - Auckland up >100%
  - Darwin up >25%
- n Market size Australia and New Zealand circa A\$50 billion (FY10)
- n Growth for SKYCITY from
  - China into Auckland
  - Taiwan into Auckland (visa restrictions removed)
  - Vietnam into Darwin (direct flights and visa-free travel)
- n Indonesian economy is improving
- n Supported by property development in Auckland
  - three additional private gaming salons
  - dedicated hotel villas
  - improved F&B offering
- n Singapore casino has grown the market



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# AUCKLAND DEVELOPMENT

Simon Jamieson  
Ejaaz Dean



# Auckland Development

- n Recent projects
- n Federal Street
- n VIP facilities - H5/6
- n Level 3 redevelopment
- n Platinum Room, Diamond Room/Fortuna relocation referred to earlier

# Auckland Site Development - SKYCITY Hotel all Rooms and Corridors Refurbished



# Auckland Site Development - Grand Lobby



# Federal Street Activation

## n Before Rugby World Cup

- New Steak & Seafood Restaurant
- New Wine & Oyster Bar
- New Federal Street Bar
- New Yakitori & Sake Bar

} \$10m Capex

## n After Rugby World Cup (connecting up the site)

- Pedestrianise Federal Street into shared space
- Up to 6 more restaurants and bars
- Extend Convention Centre over Federal Street

*All subject to planning approval*  
*AC = Auckland Council*

# Federal Street Activation - Steak and Seafood Restaurant



# Federal Street Activation - Wine and Oyster Bar



# Federal Street Activation - Yakitori and Sake Bar



# Federal Street Activation - Shared Space





# Growing Local VIP Tables

- n Creation of new Pacific Room on levels H5/H6 by Rugby World Cup
  - 18 tables (presently 15 tables: 20% increase in product)
  - Great views - top floor of the site
  - More space on main gaming floor - decongest the floor
  - Grow the segment and number of people
- n Regulatory approval granted
- n Resource consent granted
- n Building consent underway
- n Building works scheduled to commence February 2011

# Growing Local VIP Tables



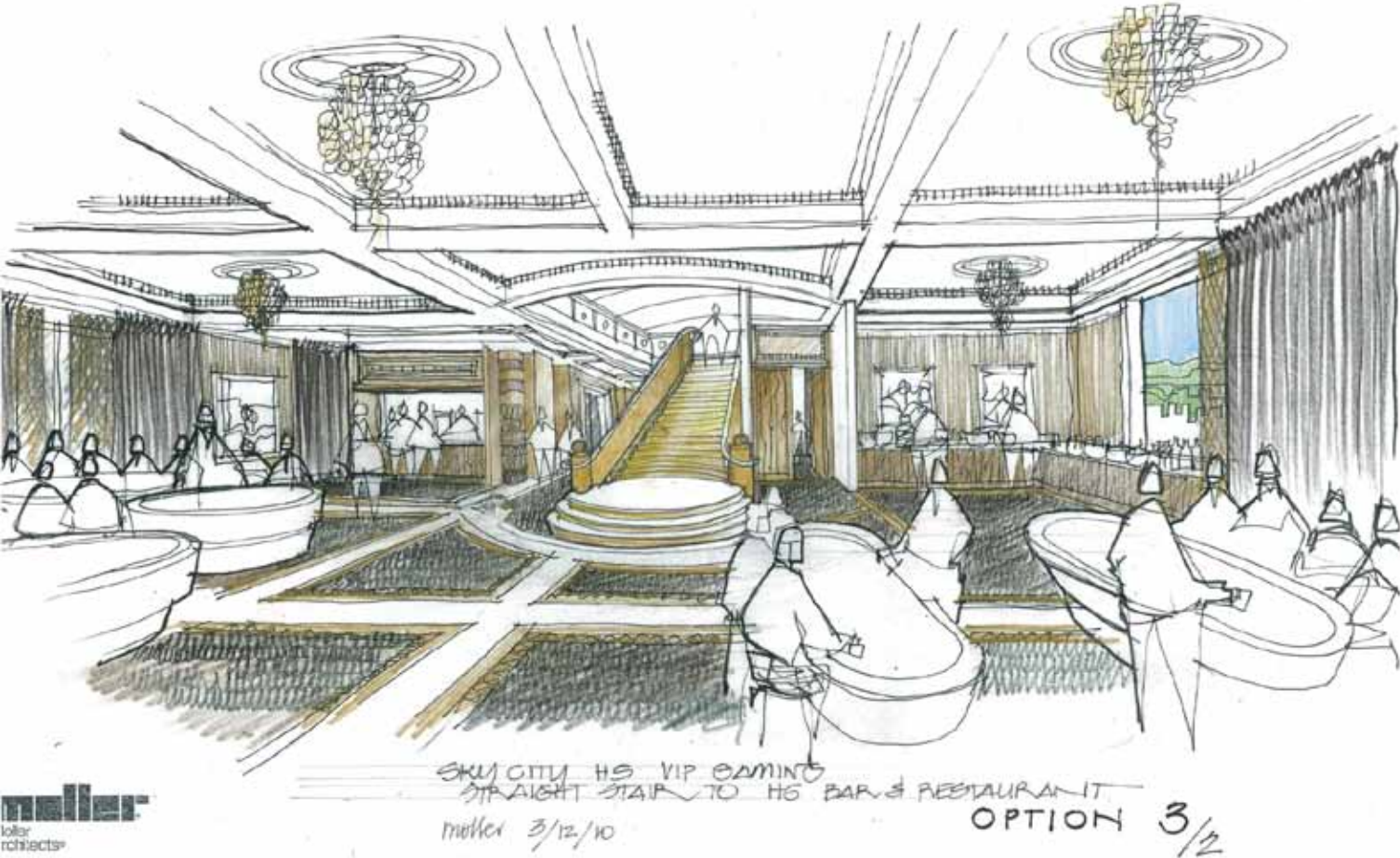
# Growing Local VIP Tables - New Pacific Room



**moller**  
Moler  
Architects®

SKYCITY HD PACIFIC ROOM ENTRY WITH STRAIGHT STAIR Moller 2/12/10 OPTION 3/1

# Growing Local VIP Tables - New Pacific Room



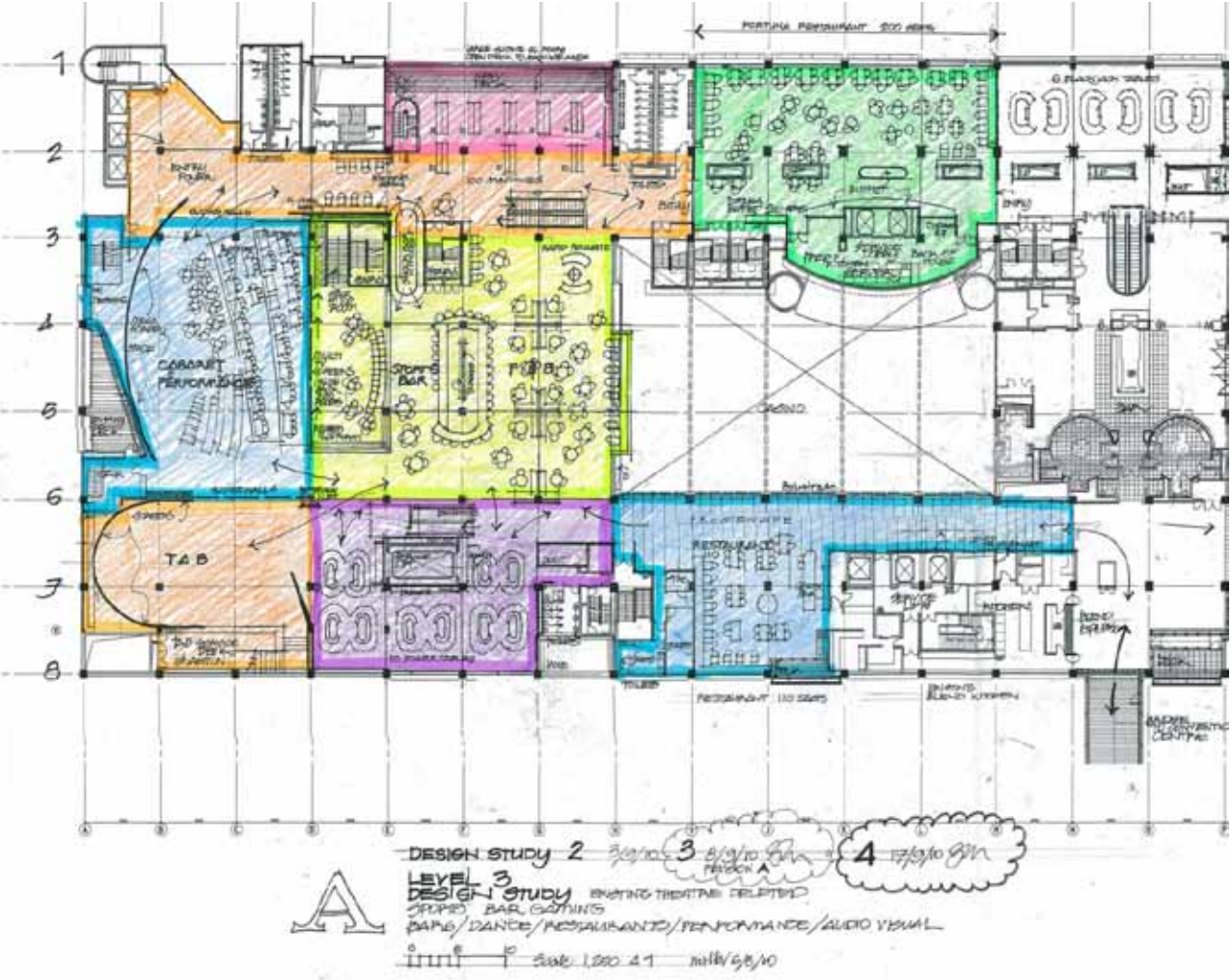
# Growing VIP Table Gaming

- n Create 4 international VIP salons - only one at present
- n Support these with 4 presidential style villas on the same floor
- n Top floor of the building - great views over Auckland
- n Luxury suites - best suites in New Zealand
- n SKYCITY turnover projected to grow strongly from FY10 turnover level of \$1.8bn
- n Total VIP international business market growing strongly
- n Strategy to claim market share with the right product, improved service delivery, four times the capacity and improved yield management
- n \$30m capex for H5/H6 - international and local VIP

# Level 3 Redevelopment - Decongest the Gaming Experience - Grow New Customer Segments

- n The strategy begins with the movement of International VIP and Pacific from the main gaming floor (L3) area to H5/H6
- n 4,600m<sup>2</sup> of 'red line' space available (level 3 plus mezzanine). This is nearly a 50% increase on current footprint and will provide opportunity to grow gaming product and further segment customer groups
- n Decongested areas for gaming product - slots, TAB, poker, craps, multi terminal gaming machines
- n Potential opportunities include
  - Create sports zone - along the lines of Star City Sports Theatre
  - Target new customer group ... all about sports
  - Big screens, tournament poker, venue for the big game and corporate boxes for the big events
  - SKYCITY sponsorship 'Home of the Warriors'

# Level 3 Redevelopment: Potential Concept





# MAJOR DEVELOPMENT OPPORTUNITIES





# INVESTMENT STRATEGY

Aaron Morrison

# Strategic Focus

- n We believe in the importance of core business reinforcement
  - Leveraging, growing, expanding core assets
  - Divesting non-core businesses (eg. sale of Cinemas)
  - Investing in key relationships (customers, regulators, government)
  - Continuing to monitor industry and consumer trends for emerging opportunities
- n Our core focus remains upon optimising, growing and maximising the potential of our existing casino operations and licences
- n We are monitoring industry developments for potential opportunities

# Return on Capital

- n SKYCITY performs a detailed financial analysis for every investment undertaken
- n Several key return metrics are used to evaluate potential projects, although other strategic considerations may be taken into account
  - Return on Invested Capital (ROIC)
  - Economic Value Added (EVA)
  - Internal Rate of Return (IRR)
  - Net Present Value (NPV)
- n Impact of investments are factored into SKYCITY's longer term (5 year) forecast which also assesses impact on
  - TSR
  - EPS
  - Gearing

# Total Shareholder Return

- n SKYCITY is focused on creating long term value for its shareholders
- n Target of being a top quartile Total Shareholder Return (TSR) performer for the NZX50
- n TSR is an appropriate metric
  - based on real returns to investors
  - is easily measurable
  - can be benchmarked against peer comps
  - identifies SKYCITY's performance over a sustained period



# ADELAIDE DEVELOPMENT

David Christian  
Aaron Morrison

# Adelaide - Operating Challenges

- n Adelaide Casino faces a range of operating conditions which present challenges for long term growth
  - facility constraints
  - most restrictive regulatory regime in Australasia
- n Current facility is located within a heritage listed building (Adelaide Railway Station). This has significant operational implications
  - inability to offer large contiguous and contemporary gaming floor
  - gaming split over multiple levels
  - no car parking facilities other than offsite valet
  - space restrictions limit number, type and size of restaurants, bars and entertainment outlets
  - no on-site hotel accommodation

# South Australian Regulatory Environment

## Electronic Gaming Machines

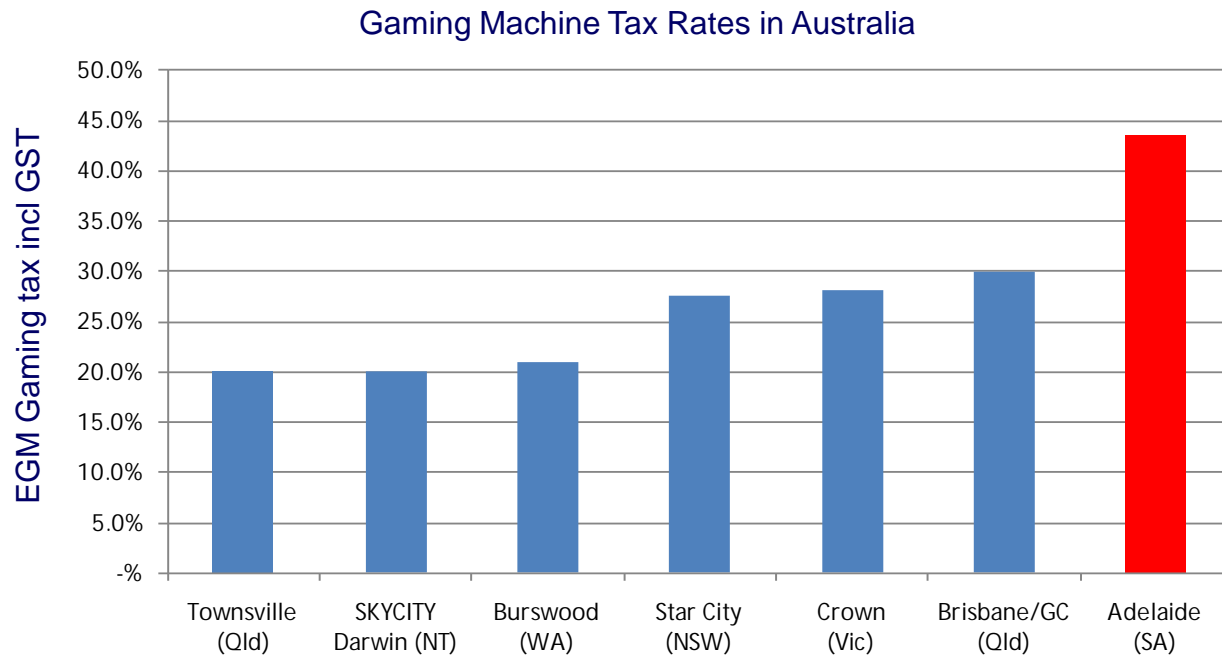
- n Product restricted (SA Gaming Machine Guidelines)
  - Range of games, number of lines, ante bets, free games cap
- n Coin operation EGMs only
  - No bill acceptors/TITO
  - No points to credit/bonusing
- n Product numbers and size of casino footprint
  - EGMs current maximum 995
- n Miscellaneous: Maximum Jackpot, Maximum Bet

## Table Games

- n Product numbers and size of casino footprint
  - Tables current maximum 90
- n No smoking in VIP rooms

# South Australian Regulatory Environment

- n Adelaide Casino faces the highest gaming machine tax rate of all casinos in Australia

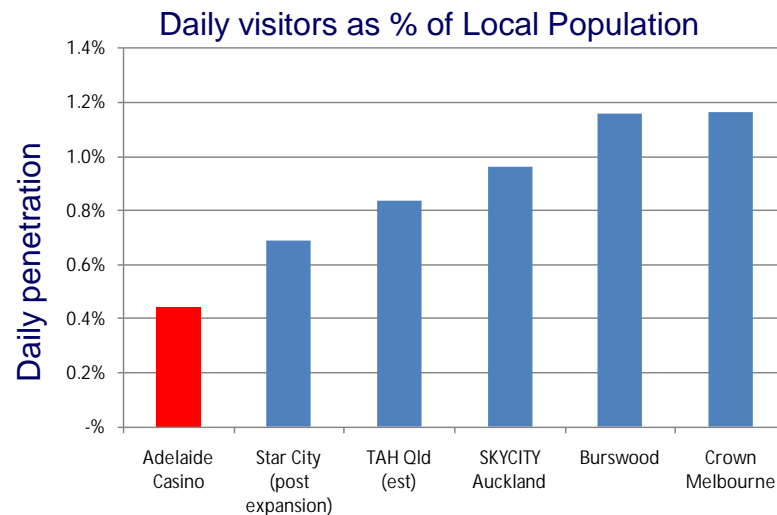


Notes: Gaming tax including GST on EGM revenue , excluding communities levies. Star City and Crown tax rates are from 2013 (progressive increases)

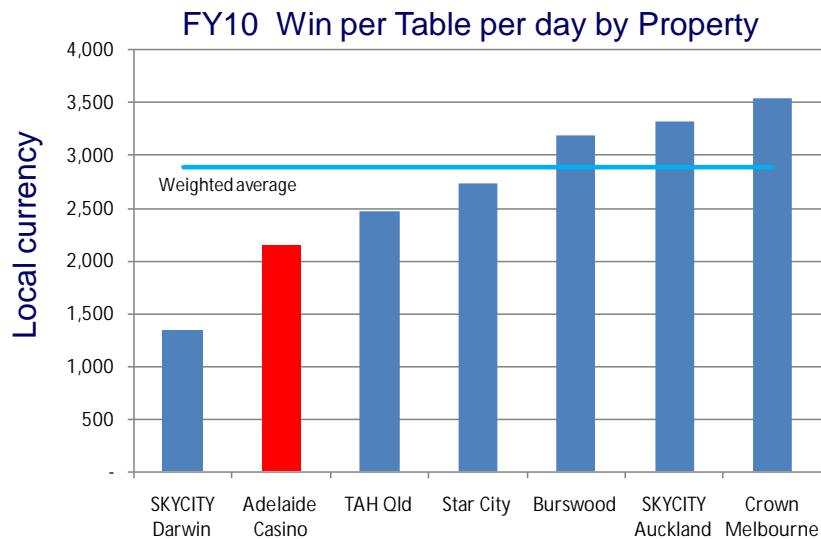


# Adelaide Casino

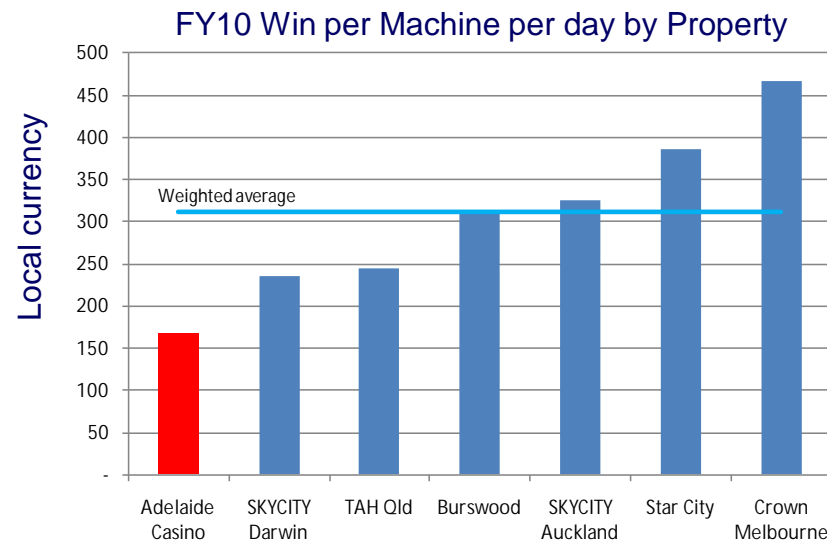
- n Despite recent growth, restrictions on the Adelaide Casino business model impose significant underperformance compared to Australasian casino peers
- n Adelaide has a similar population as Auckland but generates only 20% of the EBITDA (NZ\$194m v A\$32m in FY10)
- n Relative property visitation lower than peer properties as currently lacks critical mass (both in gaming and non-gaming)



# Relative Gaming Performance



Despite good growth in tables, performance remains well below peer comparisons



Low end outlier in machine performance, primarily due to product/regulatory differences

Source: TAH derived from F10 Investor Compendium, CWN from company data. Weighted average calculated using NZ revenues at 0.80

# Recent Australian Regulatory Reform Precedents

- n Many casino properties in Australia have recently negotiated regulatory reforms packages with respective state governments
  - Star City Sydney - in September 2008 announced extension of exclusivity to 2019, removal of cap on tables and MTGMs, plus introduction of outdoor gaming areas in exchange for capital investment
  - Crown Melbourne - in May 2009 announced increase in table games and expansion of gaming floor
  - Burswood - in July 2010 announced receipt of approval to expand gaming positions in exchange for capital investment
  - Queensland - negotiations continue between Tabcorp and the Queensland State Government over a range of reforms in exchange for a significant capital investment including additional EGMs, tables and MTGMs, increase in bet limits and removal of note acceptor restrictions

# Adelaide Casino Redevelopment

- n In ongoing discussions with the SA Government regarding the potential to expand the current property to create a much larger gaming-based integrated entertainment complex
- n To feature a much broader range of offerings
  - Significant number of car parks (objective for 1,500)
  - Boutique hotel accommodation
  - Critical mass of restaurants, bars and entertainment
  - Material increase in gaming positions (machines and tables)
  - Competitive gaming product
- n Strategically important investment in the context of the SA Government's proposed Riverbank Masterplan development
  - Important private sector endorsement/support
  - Cornerstone development
  - Commonalities in respect of infrastructure needs (eg. car parking, footbridge)

# Adelaide Casino Redevelopment

- n As has been the recent case with similar investments undertaken by casino operators in other Australian jurisdictions, any investment by SKYCITY remains subject to reaching a suitable agreement with the SA Government regarding a range of changes and approvals required to facilitate the proposed redevelopment
  - Regulatory reforms
  - Heritage planning constraints
  - Tourism support
  - Recognition of our required return on invested capital

# Adelaide Casino Redevelopment

- n Achievement of SKYCITY's investment return thresholds will depend upon a combination of returns/value realised from
  - a significant increase in operating scale and critical mass of broader offerings (gaming, accommodation, F&B)
  - improvement in operating margins
  - value created through regulatory reforms
- n Expected future performance can be assessed against a current relative 'low base'
- n Adelaide Casino does not presently compete on a 'level playing field' with other Australian casinos

# Adelaide Casino Redevelopment

- n The Adelaide Casino will be part of the exciting new Adelaide Riverbank Precinct development, recently announced by the SA Government, including
  - Adelaide Oval Redevelopment
  - Expansion of the Adelaide Convention Centre
  - Potential redevelopment of Hijek Plaza
- n The SA Government is actively engaged with SKYCITY
  - Casino Task Force
  - Riverfront Precinct Development Committee

# Adelaide Oval Redevelopment Proposal





# Adelaide Convention Centre Expansion Proposal



Adelaide  
Casino  
Site

# Adelaide Casino Redevelopment: Indicative Concept





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# NATIONAL CONVENTION CENTRE - AUCKLAND

Simon Jamieson  
Aaron Morrison

# National Convention Centre

- n Front of House space for up to 18,000 people
  - 10,000m<sup>2</sup> - exhibition space
  - 5,000m<sup>2</sup> - plenary space
  - 3 main breakout rooms of 1,000m<sup>2</sup>/20 small breakout rooms
  - large circulation spaces
  - 1,000 carparks
  
- n Government is running an EOI (still under consideration) - driven by the convention industry and supported by central government
  
- n Synergies for SKYCITY would include
  - up to 450,000 visitors to our precinct
  - connected to the main site by an overbridge on Hobson Street
  - would help cement this part of town as prime CBD/entertainment precinct
  - hotel occupancies and room rates (REVPAR) would be increased

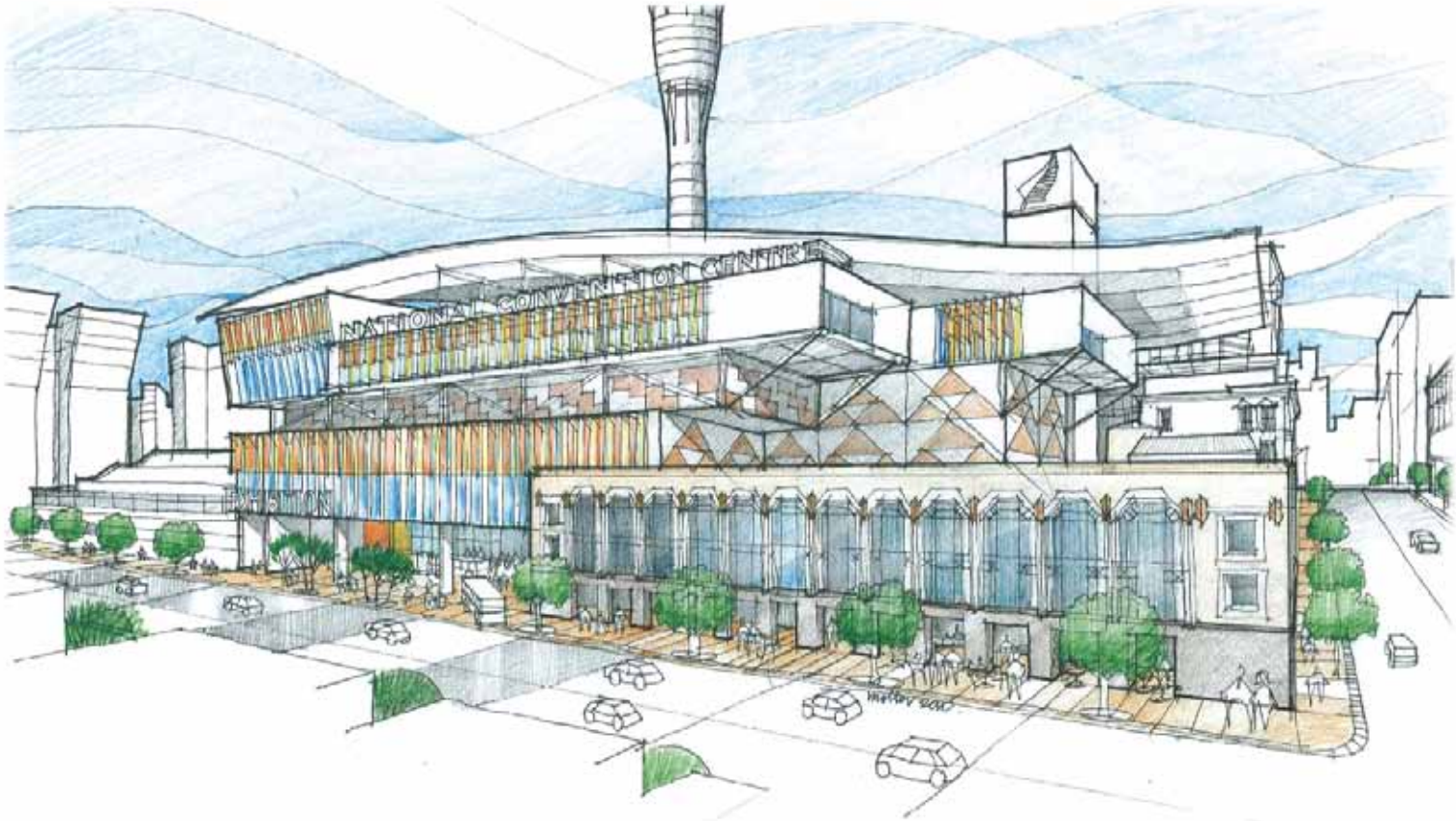
# National Convention Centre - Hobson/Nelson Block

- n The users of the NCC would utilise the main site casinos, restaurants, bars and function facilities including the Federal Street developments
- n Expanded carparking would benefit our main business
- n By locating the NCC on this site SKYCITY would be positioned as the centre for tourism and hospitality in Auckland for the foreseeable future
- n NCC will be a catalyst for further development around the SKYCITY precinct
- n The cost to develop a National Convention Centre, of the type being contemplated by the convention industry, could be over \$300m
- n The funding model for the NCC is still to be discussed
- n The Hobson/Nelson block development could be completed by 2014
- n The total returns associated with SKYCITY's ultimate investment will be derived from
  - operating the NCC and parking
  - the on-spend to the main site from NCC visitors
  - any government support

# National Convention Centre: Auckland



# National Convention Centre: Auckland



NATIONAL CONVENTION CENTRE

NELSON ST looking east



# National Convention Centre: Auckland



NATIONAL CONVENTION CENTRE

HOBSON ST looking south







# CHRISTCHURCH UPDATE

Aaron Morrison

# New Zealand, Christchurch Casino

- n SKYCITY has a long-stated objective to own the Christchurch Casino
  - Recently moved to 50% ownership
  - Further opportunities exist to drive improved performance
  - Current ownership and operating structure is challenging
  - SKYCITY has made a formal cash offer to Skyline for its interests in the Christchurch and Queenstown casinos which the Skyline board has rejected



# CLOSING COMMENTS and Q&A

Nigel Morrison

# Closing Comments and Summary

- n Other strategic growth opportunities
- n Recent trading patterns in Auckland provide optimism for continuing improvement in the important gaming machine sector
- n New and proposed facilities will support potentially significant increases in gaming (and non-gaming) earnings at Auckland and Adelaide
- n Darwin continues to perform strongly with casino upside potential
- n International Business projected to continue to grow strongly
- n RWC will be a significant contributor to 1H11 earnings uplift for all of our New Zealand operations, but especially for Auckland
- n We continue to strengthen our senior management capability across the Group
- n We are well positioned to debt-fund our expansionary opportunities
- n We are on track to meet guidance provided at the annual meeting in October for FY11 normalised NPAT



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Q&A

Questions from the floor



# Site Tour

- n Group 1: Ejaaz Dean
- n Group 2: Kierren Gersbach
- n Group 3: Nick Snow
- n Group 4: Simon Jamieson



Drinks at XO Bar at 6.30pm

Dinner at Jade Dragon at 7.30pm

After dinner fun gaming in Bar 21

Trophy for the winner at close of play

Fishing charter tomorrow - departing Grand  
Hotel lobby at 8.00am



**SKYCITY**