

FY17 Result – Investor Presentation

9 August 2017



- All information included in this presentation is provided as at 9 August 2017
- This 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 investors investment objectives or other circumstances. Investors are encouraged to make an independent assessment of SKYCITY

- Average NZ\$ vs. A\$ cross-rate for FY17 = 0.9433 and FY16 = 0.9169
- Weighted average number of shares for FY17= 662,207,364 and FY16= 598,489,211
- Revenue (incl Gaming GST), calculated as gaming win (incl GST) plus non gaming revenue (excl GST), is shown to facilitate Australasian comparisons
- Normalised revenue is adjusted for IB at the theoretical win rate of 1.35% versus an actual win rate of 1.25% in FY17 (FY16: 1.49%)
- EBITDA margin is calculated as a % of revenue (incl Gaming GST) to facilitate Australasian comparisons
- Normalised EBITDA is adjusted for IB at the theoretical win rate of 1.35% and certain other items (see page 33 for more details)
- Certain totals, subtotals and percentages may not agree due to rounding

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Results Overview

	FY17	FY16	Movement	
	\$m	\$m	\$m	%
Normalised Revenue (incl Gaming GST)	1,030.6	1,084.1	(53.5)	(4.9%)
Normalised EBITDA	321.5	330.1	(8.6)	(2.6%)
Normalised NPAT	154.6	152.7	1.9	1.3%
Normalised EPS	23.3cps	25.5cps	(2.2cps)	(8.6%)

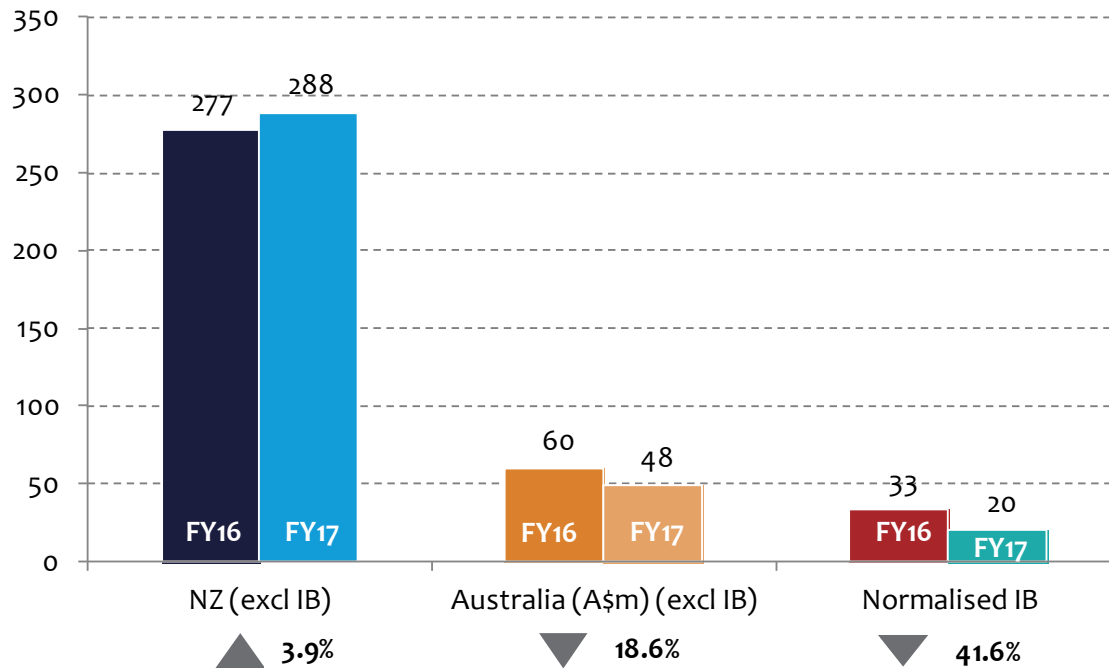
Final Dividend NZ\$cps	10.0cps	10.5cps	(0.5cps)	(4.8%)
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	FY17	FY16	Movement	
	\$m	\$m	\$m	%
Reported Revenue (incl Gaming GST)	1,022.0	1,101.2	(79.1)	(7.2%)
Reported EBITDA	307.0	333.9	(26.9)	(8.1%)
Reported NPAT	44.9	145.7	(100.8)	(69.2%)
Reported EPS	6.8cps	24.3cps	(17.5cps)	(72.0%)

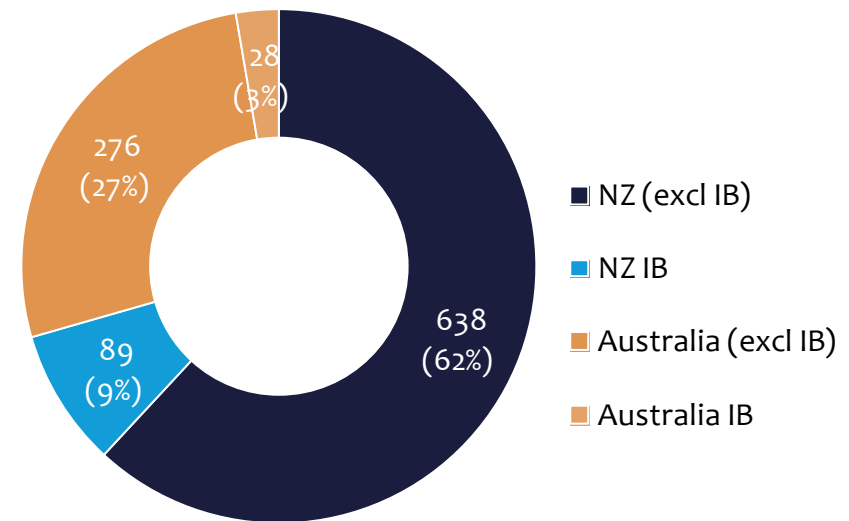
Geographic Performance

- FY17 EBITDA (excl IB) in NZ increased 3.9% on the pcp, but decreased 18.6% in Australia
- SKYCITY Auckland represented 81% of FY17 group normalised EBITDA
- Group-wide IB represented 6% of FY17 group normalised EBITDA (10% for FY16)

FY17 EBITDA (pre corporate costs)
(NZ\$m unless stated otherwise)



FY17 Normalised Revenue
(incl Gaming GST) (NZ\$m) (% of total)



Group

- Key drivers of performance were modest growth in combined NZ properties and lower net interest expense, offset by reduced IB turnover, weak trading conditions in the Australian properties and a weaker A\$ vs NZ\$
- Excluding IB and adjusting for a constant currency, group EBITDA was up 2.3% on the pcip
- Normalised EBITDA in 2H17 up slightly on the pcip, with normalised NPAT up 5.3%
- Reported NPAT impacted by A\$95m impairment of Darwin goodwill

NZ – Revenue (excl IB) ▲ 2.1%; EBITDA (excl IB) ▲ 3.9%

- SKYCITY Auckland achieved modest revenue and earnings growth on a like-for-like basis relative to a record pcip
- Hamilton continued to trade strongly due to increased gaming activity and robust local macroeconomic conditions

Australia – A\$ Revenue (excl IB) ▼ 2.9%; A\$ EBITDA (excl IB) ▼ 18.6%

- Adelaide's performance declined due to reduced visitation and early works disruption adversely impacting revenue
- Darwin continued to face increased competition in the gaming machine business and difficult trading conditions

IB – Normalised Revenue ▼ 30.0%; Normalised EBITDA ▼ 41.6%

- IB turnover was adversely impacted by increased restrictions on fund transfers from China and a reduced number of visits from larger customers
- Operating margins improved in 2H17 following a cost review but were negatively impacted overall by the operating leverage in the business and increased bad debt provisions in 1H17

Major Growth Projects

- NZICC and Hobson St hotel projects remain on-budget but now expected to complete mid-2019 due to changes to the construction programme proposed by Fletcher Construction
- Formally committed to proceeding with the expansion of the Adelaide Casino following signing a Development Agreement with the SA Government in July 2017

Funding

- Net hedged debt / normalised EBITDA of 1.1x as at June 2017
- Remain confident of retaining S&P credit rating during peak gearing periods in FY19 / 20
- Considering further debt issues during FY18, including a second NZ bond and another USPP note

Dividend – DPS 20.0cps ▼ 4.8%

- Final dividend of 10.0cps, bringing FY17 dividends declared to 20.0cps, in-line with existing payout policy
- Dividend Reinvestment Plan available with 2% discount
- Payout calculation for dividends from FY18 adjusted to reflect impact of capitalised interest on major growth projects

New Board and Management Appointments

- Chris Moller to retire as Chairman from 1 January 2018 and to be replaced by Rob Campbell
- Graeme Stephens commenced as CEO in April with John Mortensen moving into a Group COO role and resuming direct responsibility for SKYCITY Auckland
- Luke Walker, GM Adelaide Casino and Stewart Neish, IB President also commenced in 2H17

	FY17 \$m	FY16 \$m	Movement %
Revenue			
Gaming Machines	244.5	239.2	2.2%
Tables	159.2	152.7	4.3%
Gaming Revenue (incl GST)	403.7	391.9	3.0%
Non-Gaming Revenue	163.0	165.7	(1.6%)
Total Revenue (incl gaming GST) (excl IB)	566.7	557.5	1.6%
Gaming GST	(52.0)	(50.6)	(3.0%)
Total Revenue (excl gaming GST) (excl IB)	514.6	507.0	1.5%
Expenses	(254.8)	(255.9)	0.4%
EBITDA (excl IB)	259.8	251.2	3.5%
EBITDA Margin (excl IB)	45.9%	45.0%	
Depreciation & Amortisation ⁽¹⁾	(50.8)	(56.0)	9.2%
EBIT (excl IB)	209.1	195.2	7.1%
Normalised EBITDA (incl IB)	273.6	265.9	2.9%
Normalised EBITDA Margin (incl IB)	42.1%	41.4%	

- SKYCITY Auckland achieved modest earnings growth vs record pcg, with revenue up 3.5% on like-for-like basis⁽²⁾
- Record local gaming revenue achieved for a full-year period despite increased CBD disruption and required regulatory changes to smoking decks
- Non-gaming revenue down on the pcg due to loss of Air NZ Koru contract in 1Q17 and weaker activity in Conventions
- Hotels continue to trade strongly with RevPar growth of ~10% on the pcg
- Operating margins (excl IB) improved due to cessation of low margin Koru contract, changes to labour scheduling for table games and operating leverage
- Range of developments completed, including atrium refurbishment, opening of 'Grand Horizon' IB salons and opening of a new Cantonese restaurant, 'Huami'

(1) Includes \$7.6m write-off of 101 Hobson St and Nelson St car park in FY16

(2) Revenue on a like-for-like basis reflects the cessation of the Air NZ Koru catering contract in 1Q17 (contract contributed ~NZ\$2.5-3.0m in revenue per quarter but only made a minor contribution to earnings) and an additional trading day in 3Q16 (due to the leap year)

	FY17 \$m	FY16 \$m	Movement %
Revenue			
Gaming Machines	42.1	37.0	13.6%
Tables	9.7	10.2	(5.0%)
Gaming Revenue (incl GST)	51.8	47.3	9.6%
Non-Gaming Revenue	7.6	6.6	14.4%
Total Revenue (incl gaming GST) (excl IB)	59.4	53.9	10.2%
Gaming GST	(6.8)	(6.2)	(9.6%)
Total Revenue (excl gaming GST) (excl IB)	52.6	47.7	10.2%
Expenses	(26.2)	(24.8)	(5.5%)
EBITDA (excl IB)	26.4	22.9	15.3%
EBITDA margin (excl IB)	44.6%	42.5%	
Depreciation & Amortisation ⁽¹⁾	(4.6)	(7.3)	36.8%
EBIT (excl IB)	21.9	15.7	39.4%
Normalised EBITDA (incl IB)	26.5	23.0	15.3%
Normalised EBITDA margin (incl IB)	44.6%	42.6%	

- SKYCITY Hamilton delivered a strong performance during FY17, driven by:
 - Strong growth in gaming machines, slightly offset by lower hold on table games on the pcg
 - Favourable local macroeconomic conditions, with the Waikato region benefitting from higher population growth and strong consumer sentiment
 - Opening of refurbished 'Bowl & Social' in December 2016
 - Operating leverage and a focus on cost efficiencies
- 'City Co-Op' dining precinct and 'Bowl & Social' have broadened entertainment offering and increased visitation

(1) Includes a \$2.8m write-off of Hamilton hotel project costs in FY16

SKYCITY Queenstown/Wharf Casino

	FY17 \$m	FY16 \$m	Movement %
Revenue			
Gaming Machines	5.9	6.4	(6.9%)
Tables	4.7	5.5	(15.1%)
Gaming Revenue (incl GST)	10.6	11.9	(10.7%)
Non Gaming Revenue	1.3	1.3	(2.8%)
Total Revenue (incl gaming GST) (excl IB)	11.9	13.2	(9.9%)
Gaming GST	(1.4)	(1.5)	10.7%
Total Revenue (excl gaming GST) (excl IB)	10.5	11.7	(9.8%)
Expenses	(8.9)	(8.7)	(3.0%)
EBITDA (excl IB)	1.7	3.1	(46.0%)
EBITDA margin (excl IB)	13.9%	22.7%	
Depreciation & Amortisation	(1.1)	(1.0)	(2.4%)
EBIT (excl IB)	0.6	2.0	(71.2%)
Normalised EBITDA (incl IB)	2.6	7.5	(64.8%)
Normalised EBITDA margin (incl IB)	14.4%	23.0%	

■ Combined Queenstown operations result driven by:

- Lower local visitation, and reduced IB and premium activity
- Reduction in operating margins due to fixed costs required to support the business

	FY17 A\$m	FY16 A\$m	Movement %
Revenue			
Gaming Machines	51.4	52.8	(2.7%)
Tables	74.5	75.6	(1.5%)
Gaming Revenue (incl GST)	125.9	128.4	(2.0%)
Non Gaming Revenue	22.2	23.4	(5.3%)
Total Revenue (incl gaming GST) (excl IB)	148.0	151.8	(2.5%)
Gaming GST	(11.4)	(11.7)	2.0%
Total Revenue (excl gaming GST) (excl IB)	136.6	140.2	(2.5%)
Expenses ⁽¹⁾	(115.3)	(114.5)	(0.7%)
EBITDA (excl IB) ⁽¹⁾	21.3	25.6	(16.8%)
EBITDA margin (excl IB)	14.4%	16.9%	
Depreciation & Amortisation	(16.8)	(17.1)	1.5%
EBIT (excl IB)	4.5	8.6	(47.2%)
Normalised EBITDA (incl IB)	25.1	36.3	(31.0%)
Normalised EBITDA margin (incl IB)	14.8%	18.5%	

■ Adelaide Casino's result driven by:

- Decline in local gaming revenue
- Lower visitation due to increased disruption from the early works programme in the surrounding precinct
- Reduced operating margins (excl IB) due to increased marketing and promotional costs

■ Gaming machine market share in SA increased slightly on the pcg to 7.0%

■ Luke Walker commenced as GM in February 2017 and is introducing initiatives to improve operating performance of the property

(1) Excludes \$1.4m of restructure costs in FY16

	FY17 A\$m	FY16 A\$m	Movement %
Revenue			
Gaming Machines	52.7	58.2	(9.6%)
Tables	17.6	17.4	1.3%
Keno	15.9	15.6	1.7%
Gaming Revenue (incl GST)	86.2	91.2	(5.6%)
Non-Gaming Revenue	26.1	25.0	4.5%
Total Revenue (incl gaming GST) (excl IB)	112.2	116.2	(3.4%)
Gaming GST	(7.8)	(8.2)	5.6%
Total Revenue (excl gaming GST) (excl IB)	104.5	108.0	(3.2%)
Expenses	(77.3)	(74.0)	(4.5%)
EBITDA (excl IB)	27.1	33.9	(20.1%)
EBITDA Margin (excl IB)	24.2%	29.2%	
Depreciation & Amortisation ⁽¹⁾	(13.0)	(13.4)	2.6%
EBIT (excl IB)	14.1	20.5	(31.4%)
Normalised EBITDA (incl IB)	27.9	36.4	(23.4%)
Normalised EBITDA margin (incl IB)	23.8%	28.1%	

- SKYCITY Darwin's result driven by:
 - Increased competition in gaming machines from local pubs & clubs (with a 75% increase in gaming machines outside of casino since July 2015)
 - Challenging macroeconomic conditions in the NT
 - Reduced operating margins (excl IB) due to increased marketing and promotional costs
 - Stable table games and non-gaming revenue, underpinned by a focus on regular entertainment events
- Following a A\$95m write-off of Darwin goodwill a review has commenced to identify strategic options to maximise value from the property

(1) Excludes A\$95m impairment of Darwin goodwill in FY17

Group International Business

	FY17	FY16	Movement
Turnover	\$bn	\$bn	%
Auckland	6.1	6.3	(2.6%)
Other NZ	0.5	1.5	(66.6%)
Adelaide (A\$)	1.6	3.3	(53.4%)
Darwin (A\$)	0.4	1.0	(63.7%)
Total Turnover	8.7	12.4	(30.0%)
Total Normalised Revenue (\$m)	116.8	166.9	(30.0%)

FY17	FY16
Actual Win %	
1.47%	1.64%
0.48%	1.35%
0.48%	1.37%
2.14%	1.21%
1.25%	1.49%

	FY17	FY16	Movement
Normalised EBITDA	\$m	\$m	%
Auckland	13.8	14.7	(6.3%)
Other NZ	1.0	4.5	(77.8%)
Adelaide (A\$)	3.8	10.7	(65.0%)
Darwin (A\$)	0.8	2.5	(70.3%)
Total Normalised EBITDA	19.6	33.5	(41.6%)
Total Reported EBITDA	5.1	37.3	(86.4%)

FY17	FY16
Margin %	
16.7%	17.3%
15.7%	23.5%
17.8%	24.2%
14.8%	18.6%
16.7%	20.1%

- Significant reduction in IB activity during the period, driven by:
 - Reduced number of visits from larger customers, particularly following the Crown arrests in 2Q17
 - Increased restrictions on fund transfers
- Margins were negatively impacted due to operating leverage and increased bad debt provisions in 1H17
- Margins improved in 2H17 following a cost review, resulting in EBITDA growth in 2H17 of ~16% on the pcg
- Continue to comply with all relevant laws in China and take a conservative approach to credit
- Stewart Neish joined as IB President in June 2017

Final dividend per share

10.0cps

Total FY17 dividend per share

20.0cps

▼ 4.8%

Key dividend dates

Record date: 1 September 2017

DRP election date: 1 September 2017

Payment date: 15 September 2017

- Fully imputed final dividend of 10.0cps, bringing FY17 dividends declared to 20.0cps, in-line with existing payout policy
 - Represents a payout ratio of 86% of normalised FY17 NPAT
 - Represents a cash dividend yield of 4.9%, based on a share price of NZ\$4.10
- Dividend Reinvestment Plan available for the final dividend, with a 2% discount
- Payout calculation for dividends from FY18 to be adjusted for post-tax accounting impact of capitalised interest on major growth projects
- Dividend policy continues to offer shareholders an attractive yield

Corporate costs, D&A, interest and tax expense

Corporate costs: \$35.3m

▼ 20.1%

- Corporate costs lower during the period primarily due to reversal of LTI accruals from prior periods and reduced corporate bonus provision
- Expect corporate costs in FY18 to be higher than FY17 on like-for-like basis, primarily due to increased IT investment
- Change in corporate cost allocations from FY18 (see appendix)

D&A: \$95.0m

▲ 1.5%

- D&A up on the pcg due to recent capex in Auckland (Atrium refurbishment and 'Grand Horizon' IB salons) and increased amortisation of group IT systems
- Expect D&A in FY18 to be slightly higher than FY17

Net interest expense: \$16.7m

▼ 48.7%

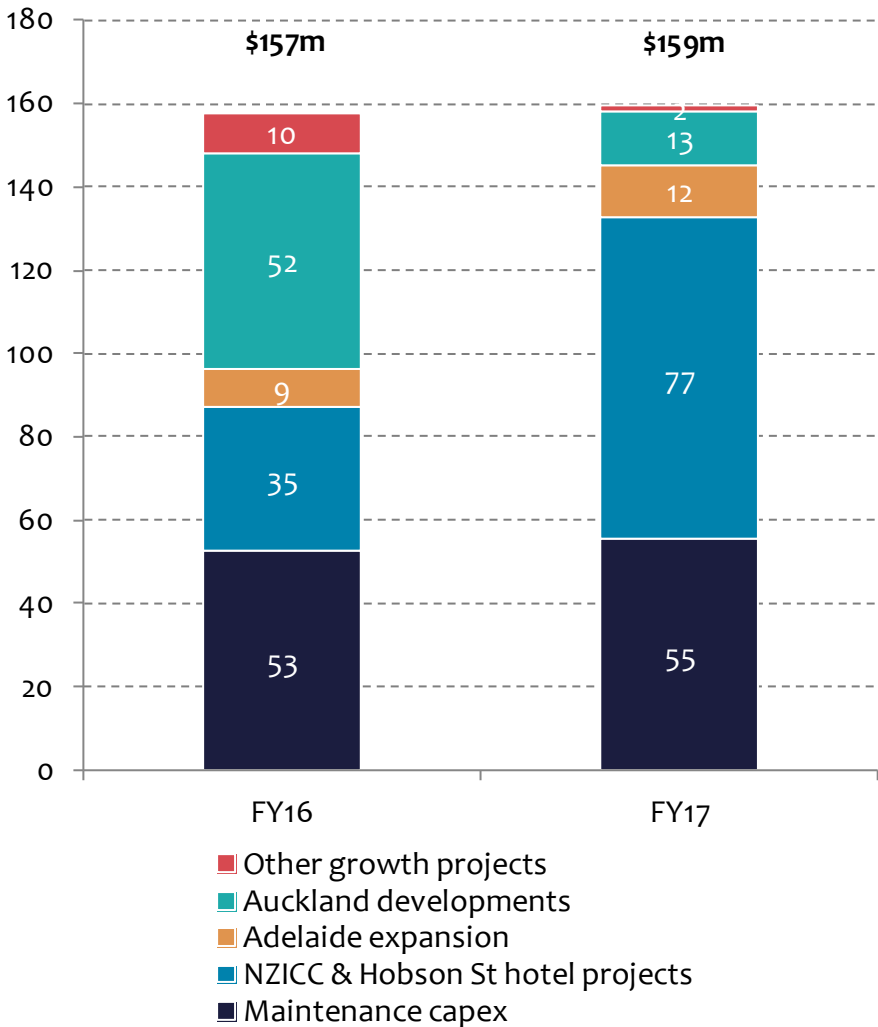
- Net interest expense down significantly on the pcg reflecting lower average debt and increased capitalised interest from major growth projects (~\$14m)
- Expect net interest expense in FY18 to be slightly lower than FY17 due to increased capitalised interest (~\$25m), despite higher average debt

Normalised tax expense: \$55.1m

▲ 7.8%

- Normalised tax expense up on the pcg due to higher profit before tax and higher effective tax rate (26.3%)
- Expect the effective tax rate in FY18 to be broadly similar to that in FY17

FY17 capital expenditure (NZ\$m)



FY17 Capex

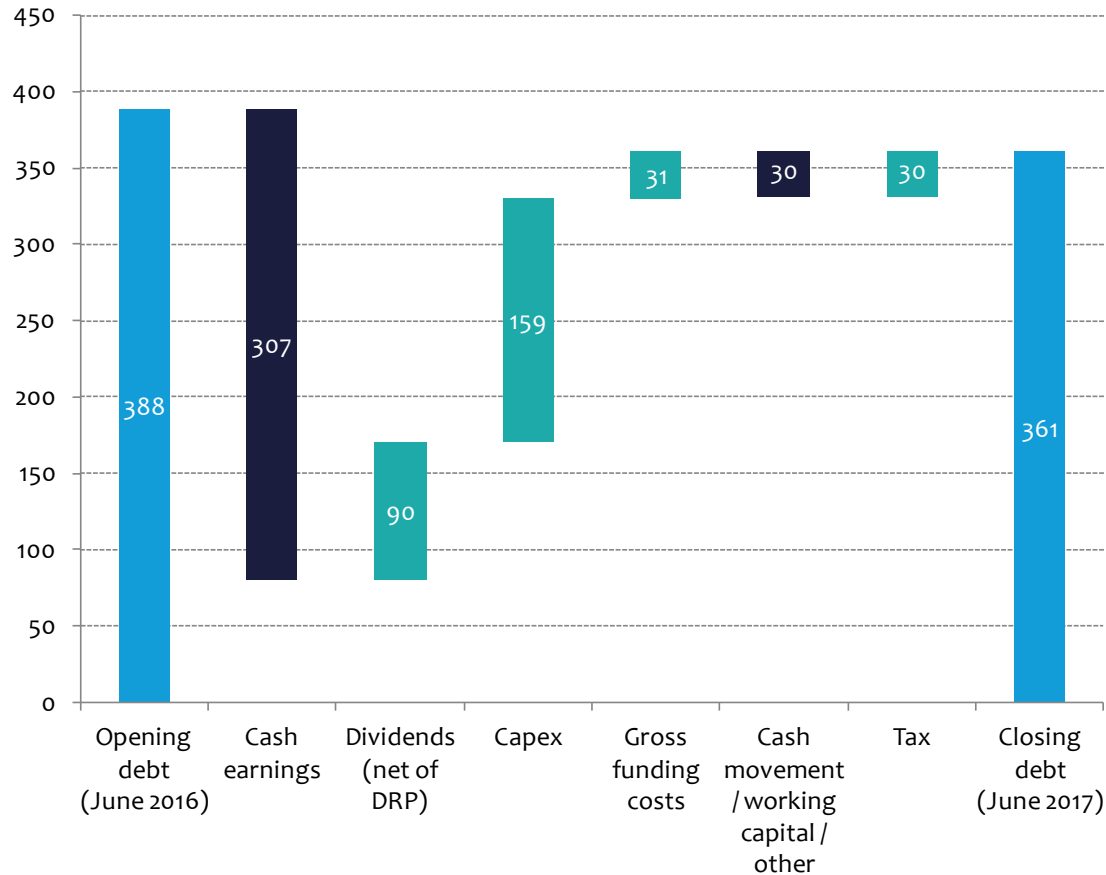
- Maintenance capex of \$55m
- Growth project capex of \$104m primarily related to NZICC and Hobson St hotel projects, Adelaide Casino expansion and developments at SKYCITY Auckland

Capex outlook

- FY18 maintenance capex expected to be ~\$70m
- Updated guidance provided on future capex profile for major growth projects (see page 25)
- Potential for additional investment in SKYCITY Auckland precinct as part of Auckland master planning being undertaken

Funding and Capital Management

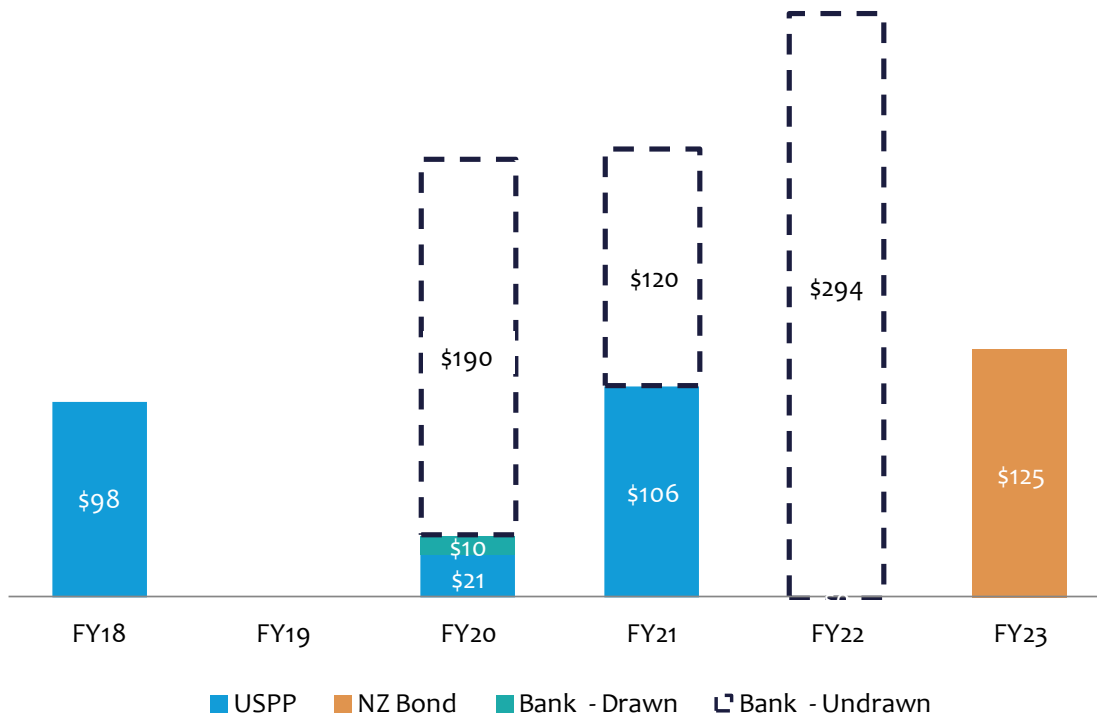
Movement in gross hedged debt (NZ\$m)



- Gross hedged debt flat over the period due to strong cash earnings
- Expect total debt to peak during FY20 at around \$1bn
- Remain confident of retaining S&P credit rating during peak gearing periods in FY19 / 20

Debt Maturity Profile

Hedged debt maturity profile (as at June 2017) (NZ\$m)



- Committed debt facilities (at hedged exchange rates) of \$965m as at June 2017, with \$361m currently drawn
 - Average interest rate on existing debt is 7.0% (almost all fixed rate debt)
 - Net hedged debt / normalised EBITDA of 1.1x as at June 2017
- Cash at bank of \$12m as at June 2017
- Recently extended A\$280m tranche of senior bank debt from June 2019 to March 2022
- Considering further debt issues during FY18, including a second NZ bond issue and another USPP note issue to refinance \$98m (US\$75m) maturing in March 2018

NZICC and Hobson St Hotel

- Significant progress achieved with excavation and site-preparation completed, and the car park levels and hotel basement now under construction
- Fletcher Construction has provided an updated construction programme which indicates practical completion around the middle of 2019
- Remain comfortable with the contractual arrangements with Fletcher Construction and the projects remain on-budget
- Slight delay will not impact on any of the NZICC's confirmed bookings to date



NZICC and Hobson St Hotel – Progress On Site



NZICC and Hobson St hotel site as at end of June 2017

- Committed to proceeding with the expansion project in Adelaide following signing a Development Agreement with the SA Government
- Design for the expansion finalised which includes additional hotel rooms, new function spaces, a rooftop bar & restaurant, and works to integrate the expansion with the existing property and operations
- Total project costs increased to ~A\$330m (including appropriate contingency)
- Final design changes support investment thesis, improve returns and de-risk project
- Main works to commence in Q1 2018, following completion of early works by the SA Government, with completion expected in Q3 2020
- Remain confident in the investment thesis for Adelaide, supported by regulatory concessions agreed with the SA Government
- Project expected to deliver reasonable returns above cost of capital

Adelaide Casino Expansion



Early works programme progress as at August 2017

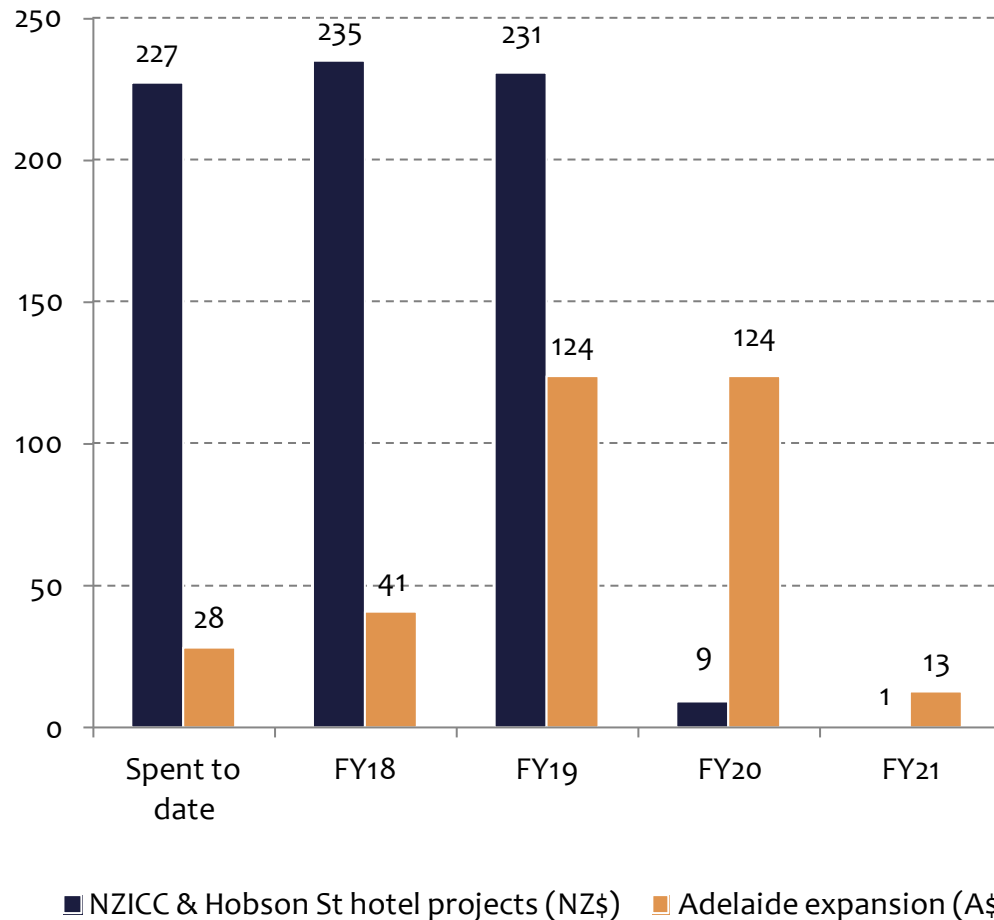
Adelaide Casino Expansion



Adelaide expansion from the Festival Plaza – final design

Major Growth Projects – Future Capex

Future capital expenditure for major growth projects (NZ\$m unless stated otherwise)



■ Timing of major growth capex delayed slightly due to:

- Changes to the construction programme on the NZICC and Hobson St hotel projects proposed by Fletcher Construction
- Delayed commencement of main construction works in Adelaide

Group	<ul style="list-style-type: none"> Group EBITDA expected to grow modestly in FY18 on the pcip Key drivers of FY18 performance to be growth in combined NZ properties and a recovery in IB turnover, offset by further weakness in Darwin and increased corporate costs (primarily investment in IT)
NZ	<ul style="list-style-type: none"> SKYCITY Auckland expected to deliver modest earnings growth in FY18 on the pcip driven by initiatives to increase visitation Disruption from capital works programmes across the Auckland CBD is being proactively managed but expected to continue to impact the property Hamilton expected to continue to deliver earnings growth in FY18 on the pcip
Australia	<ul style="list-style-type: none"> Adelaide expected to return to modest earnings growth in FY18 on the pcip due to improved premium gaming access, new marketing initiatives and margin improvements. Disruption from the early works programme and our main construction works commencing is expected to impact the property Darwin's performance expected to be slightly weaker in FY18 on the pcip due to ongoing competitive pressures in the gaming machines business and a challenging local economy
IB	<ul style="list-style-type: none"> Uncertain near-term outlook for IB but activity expected to improve from recent levels due to increased visits from larger customers and initiatives to attract new customers Operating margins are expected to improve with increased activity levels and initiatives to drive cost efficiencies

Key Focus Areas For FY18

Improve operating performance of all business segments

Improve progress on NZICC and Hobson St hotel projects in coordination with Fletcher Construction

Complete tender process for Adelaide expansion construction contract and commence main works

Formulate medium-term group strategy to further leverage existing assets, pursue new opportunities and enhance technology and digital capability

Reinvigorate culture and brand, and improve stakeholder engagement

Appendices

FY17 Results Overview – Normalised

	FY17 \$m	FY16 \$m	Movement	
			\$m	%
Normalised Revenue (including Gaming GST)	1030.6	1,084.1	(53.5)	(4.9%)
Gaming GST	(94.6)	(99.2)	4.6	4.6%
Normalised Revenue	936.0	984.9	(48.9)	(5.0%)
Expenses	(614.5)	(654.8)	40.3	6.2%
Normalised EBITDA	321.5	330.1	(8.6)	(2.6%)
Depreciation and Amortisation	(95.0)	(93.7)	(1.4)	(1.5%)
Normalised EBIT	226.5	236.4	(9.9)	(4.2%)
Net Interest	(16.7)	(32.6)	15.9	48.7%
Normalised NPBT	209.7	203.8	5.9	2.9%
Tax	(55.1)	(51.1)	(4.0)	(7.8%)
Normalised NPAT	154.6	152.7	1.9	1.3%
Normalised EPS	23.3cps	25.5cps	(2.2cps)	(8.6%)

FY17 Results Overview – Reported

	FY17 \$m	FY16 \$m	Movement	
			\$m	%
Reported Revenue (including Gaming GST)	1,022.0	1,101.2	(79.1)	(7.2%)
Gaming GST	(94.0)	(101.5)	7.5	7.4%
Reported Revenue	928.1	999.7	(71.6)	(7.2%)
Expenses	(621.0)	(665.8)	44.8	6.7%
Reported EBITDA	307.0	333.9	(26.9)	(8.1%)
Impairment of Darwin goodwill	(99.5)	-	(99.5)	NA
Depreciation and Amortisation	(95.0)	(104.1)	9.1	8.7%
Reported EBIT	112.5	229.9	(117.4)	(51.1%)
Net Interest	(16.7)	(32.6)	15.9	48.7%
Reported NPBT	95.8	197.3	(101.5)	(51.4%)
Tax	(50.9)	(51.6)	0.7	1.3%
Reported NPAT	44.9	145.7	(100.8)	(69.2%)
Reported EPS	6.8cps	24.3cps	(17.5cps)	(72.0%)
Final Dividend NZ\$ cps	10.0cps	10.5cps	(0.5cps)	(4.8%)

FY17 Revenue Summary by Business (incl Gaming GST)

	FY17 \$m	FY16 \$m	Movement %
New Zealand Casinos (excl IB)			
▪ Auckland	566.7	557.5	1.6%
▪ Hamilton	59.4	53.9	10.2%
▪ Queenstown, Other	11.8	13.2	(10.3%)
Total New Zealand Revenue	637.8	624.6	2.1%
Australian Casinos (excl IB)			
▪ Adelaide (A\$)	148.0	151.8	(2.5%)
▪ Darwin (A\$)	112.2	116.2	(3.4%)
Total Australia (A\$)	260.3	268.0	(2.9%)
Total Australia Revenue at FY16 exchange rate (NZ\$)	283.9	292.6	(2.9%)
Normalised IB Revenue at FY16 exchange rate (for A\$ revenue)	117.7	166.9	(29.5%)
Normalised Revenue at constant currency	1,039.4	1084.1	(4.1%)
Exchange rate impact at FY16 exchange rate	(8.8)	-	
Normalised Revenue at actual currency	1,030.6	1,084.1	(4.9%)
Adjust International Business to actual win rate	(8.6)	17.1	
Reported Revenue at actual currency	1,022.0	1,101.2	(7.2%)

FY17 EBITDA Summary by Business

	FY17 \$m	FY16 \$m	Movement %
New Zealand Casinos (excl IB)			
▪ Auckland	259.8	251.2	3.5%
▪ Hamilton	26.4	22.9	15.3%
▪ Queenstown, Other	1.7	3.1	(46.0%)
Total New Zealand EBITDA	287.9	277.2	3.9%
Australian Casinos (excl IB)			
▪ Adelaide (A\$)	21.3	25.6	(16.8%)
▪ Darwin (A\$)	27.1	33.9	(20.1%)
Total Australia (A\$)	48.5	59.6	(18.6%)
Total Australia EBITDA at FY16 exchange rate (NZ\$)	52.9	65.1	(18.6%)
Normalised IB EBITDA at FY16 exchange rate (for A\$ revenue)	19.7	33.5	(41.2%)
Corporate Costs	(35.3)	(44.1)	20.1%
NZICC operating costs	(1.9)	(1.6)	(32.5%)
Normalised EBITDA at constant currency	323.2	330.1	(2.1%)
Exchange rate impact at FY16 exchange rate	(1.7)	-	
Normalised EBITDA at actual currency	321.5	330.1	(2.6%)
International Business adjustments	(14.5)	3.8	
Reported EBITDA at actual currency	307.0	333.9	(8.1%)

Reported and Normalised Earnings

- SKYCITY's objective of producing normalised financial information is to provide data that is useful to the investment community in understanding the underlying operations of the group
- Application of the group's non-GAAP financial information policy is consistent with the approach adopted in FY16
- **FY17 adjustments**
 - A\$95m (NZ\$99.5m) write-off of goodwill at Darwin following annual impairment review
 - Actual win rate on IB of 1.25% vs. the theoretical win rate of 1.35%
- **FY16 adjustments**
 - Actual win rate on IB of 1.49% vs. the theoretical win rate of 1.35%
 - Write-off of the Hamilton hotel project costs (\$2.8m of capitalised costs incurred over 2011 to 2014)
 - Write-off of 101 Hobson St and the Nelson St car park to make way for the NZICC (\$7.6m book value)

FY17 Reported and Normalised Earnings

	FY17				FY16			
	Revenue \$m	EBITDA \$m	EBIT \$m	NPAT \$m	Revenue \$m	EBITDA \$m	EBIT \$m	NPAT \$m
Normalised	1,030.6	321.5	226.5	154.6	1,084.1	330.1	236.4	152.7
IB at theoretical	(8.6)	(14.5)	(14.5)	(10.2)	17.1	3.9	3.9	2.8
Asset write-offs	-	-	(99.5)	(99.5)	-	-	(10.4)	(9.8)
Total adjustments	(8.6)	(14.5)	(114.0)	(109.7)	17.1	3.9	(6.5)	(7.0)
Reported	1,022.0	307.0	112.5	44.9	1,101.2	333.9	229.9	145.7

FY17 Corporate Costs / Operating Expenses (Restated)



- As previously indicated, intention to reallocate certain intra-group costs from FY18
- These costs primarily relate to IT and sponsorships, currently included within Corporate
- This reallocation is intended to more appropriately allocate costs to the businesses receiving the benefits and associated revenue impact
- FY17 corporate costs and property-by-property operating expenses have been restated on the following page to reflect this reallocation and to enable comparability in FY18

FY17 Corporate Costs / Operating Expenses (Restated)

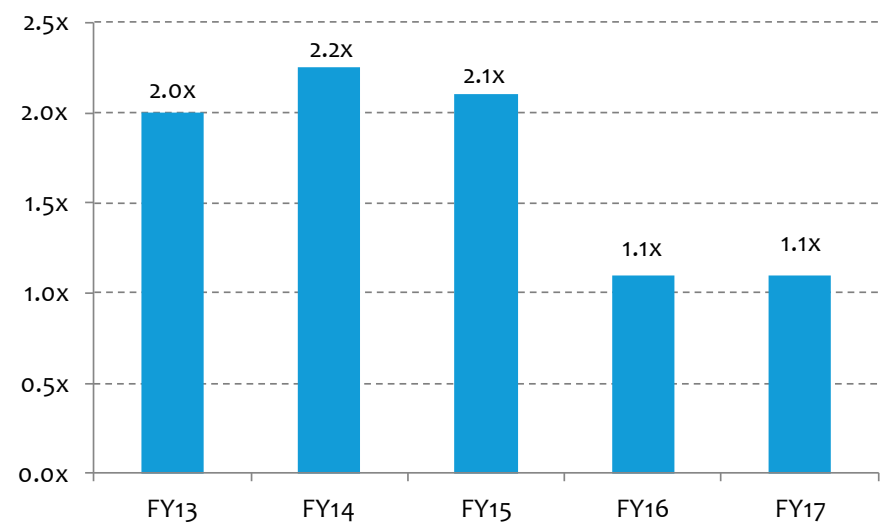
	FY17 \$m	FY17 Restated \$m	Movement \$m
New Zealand Casino Expenses (excl IB)			
▪ Auckland	(254.8)	(263.3)	(8.5)
▪ Hamilton	(26.2)	(26.8)	(0.6)
▪ Queenstown, Other ⁽¹⁾	(10.7)	(11.0)	(0.3)
Total New Zealand Expenses	(291.7)	(301.1)	(9.4)
Australian Casinos Expenses (excl IB)			
▪ Adelaide (A\$)	(115.3)	(116.6)	(1.4)
▪ Darwin (A\$)	(77.3)	(78.0)	(0.6)
Total Australia (A\$)	(192.6)	(194.6)	(2.0)
Total Australia Expenses (NZ\$)	(204.3)	(206.3)	(2.1)
Normalised IB Expenses	(83.2)	(82.6)	0.6
Group Corporate Costs	(35.3)	(24.4)	10.9
Total Group Expenses (including Corporate Costs)	(614.5)	(614.5)	-

(1) "Other" includes \$1.9m of NZICC operating costs

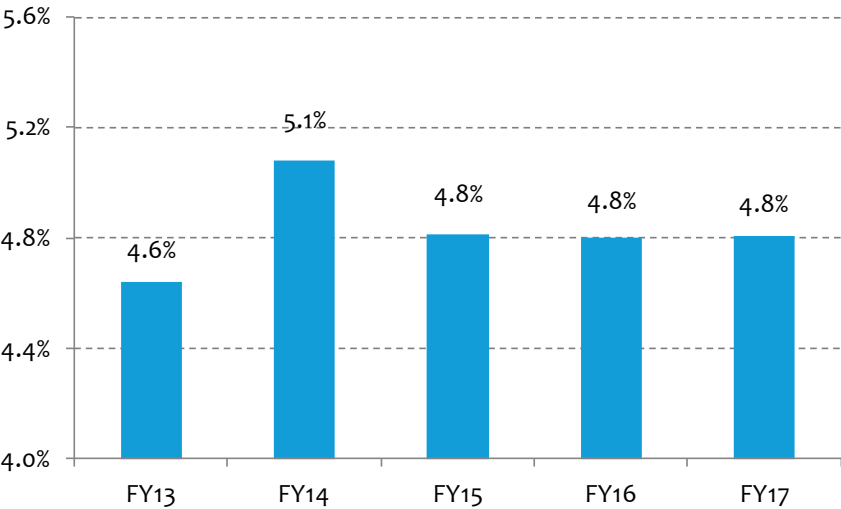
Key Ratios



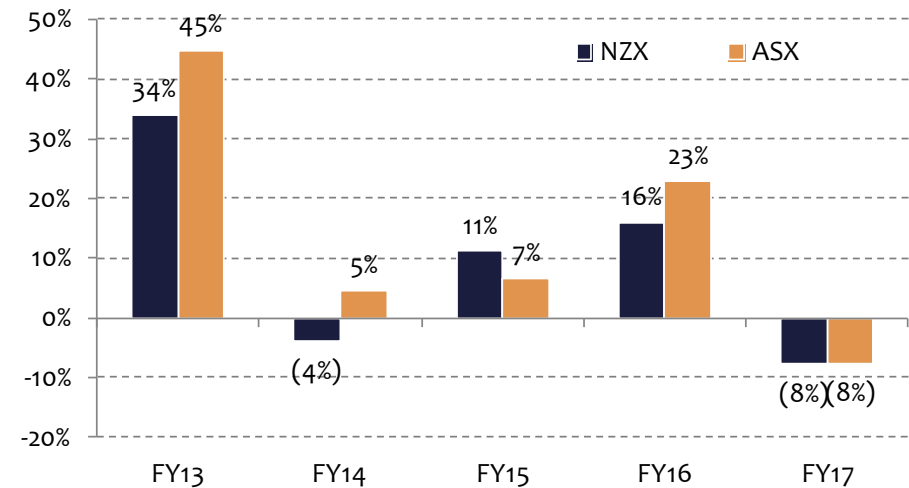
Net hedged debt / EBITDA (x)



Cash dividend yield (%)



Total shareholder return (%)



Interest coverage ratio (x)

