

EVENT

HOSPITALITY & ENTERTAINMENT

EST



1910



RESULTS PRESENTATION

24 AUGUST 2018

YEAR ENDED 30 JUNE 2018

EVENT YEAR END RESULTS

WEBCAST AND DIAL IN DETAILS

FRIDAY 24 AUGUST 2018 9:00 AM (AEDT)

Access a webcast of the briefing at <https://webcast.openbriefing.com/4563/>

Alternatively you may dial in to the briefing using the following details and the Conference ID: **6768976**



Toll free (Australia only): 1800 123 296

Australia: +61 2 8038 5221

New Zealand: 0800 452 782

Canada: 1855 5616 766

China: 4001 203 085

Hong Kong: 800 908 865

India: 1800 3010 6141

Japan: 0120 994 669

Singapore: 800 616 2288

United Kingdom: 0808 234 0757

United States: 1855 293 1544



RESULTS OVERVIEW

FULLY FRANKED FINAL DIVIDEND
31 CENTS PER SHARE
PAYMENT ON 20 SEPTEMBER 2018

GROUP REVENUE \$1,290m -1%

GROUP EBITDA* \$268m +10%

NORMALISED* NPAT \$124m +9%

YEAR ENDED 30 JUNE	2017 \$ '000	2018 \$ '000	VARIANCE %
ENTERTAINMENT			
Australia	78,957	68,600	(13.1)%
Germany	22,246	19,918	(10.5)%
New Zealand	10,045	11,150	11.0%
Fiji	742	-	-%
HOSPITALITY			
Hotels and Resorts	52,734	69,270	31.4%
LEISURE			
Thredbo Alpine Resort	18,187	21,838	20.1%
PROPERTY			
Property and Other Investments	9,343	16,528	76.9%
Unallocated expenses	(22,322)	(17,034)	(23.7)%
NORMALISED PROFIT RESULT (BEFORE INTEREST AND TAX)	169,932	190,270	12.0%
Net interest costs	(8,995)	(7,056)	
Income tax expense	(47,253)	(58,933)	
Individually significant items – net of tax	(2,865)	(12,371)	
TOTAL REPORTED PROFIT	110,819	111,910	1.0%



Strong diverse portfolio delivers profit growth +12%.



Entertainment NZ performs well, PBIT+11%. Entertainment AUS and Entertainment GER impacted by weaker film line up.



Solid Hotels and Resorts profit growth +31%, driven by new hotels (56%) and growth from existing hotels (44%).



Record Thredbo PBIT result, +20%.



Strong Property portfolio now valued at \$2.0bn, versus \$1.2bn book value.



New operating structure delivering benefits.



Strong pipeline of growth opportunities in the medium to long term.

*Normalised result is profit for the year before individually significant items. Group EBITDA is normalised earnings before interest, tax, depreciation and amortisation. The normalised result and Group EBITDA are unaudited non-International Financial Reporting Standards ("IFRS") measures.

ENTERTAINMENT AUSTRALIA



Australian market box office down 5% overall.



Strong growth in Food and Beverage spend per head +4.3% and improved margins, COGS -3.4%.



Premium and value strategies beginning to deliver good results. Growth in the percentage of customers choosing premium cinema experiences, +7.9%.

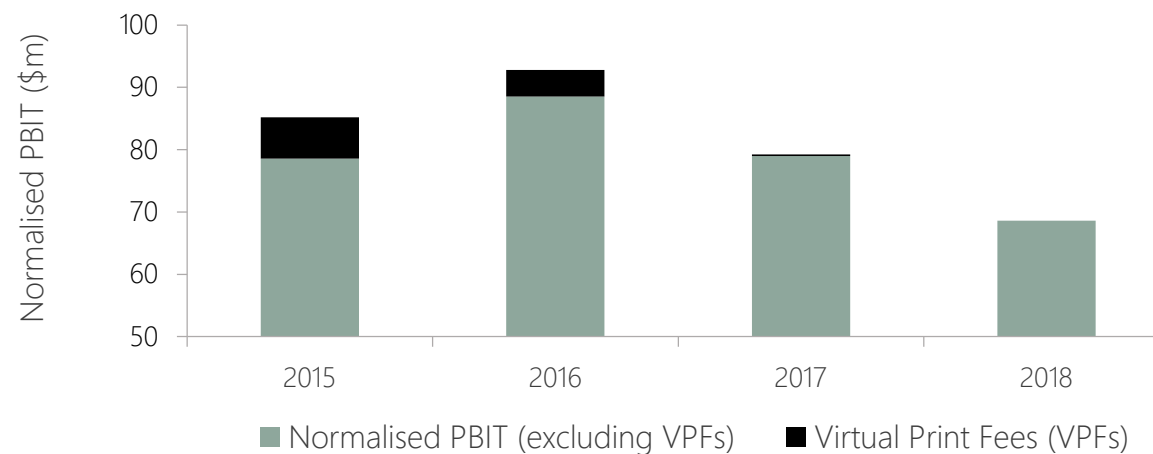


Growth in other revenue streams including sponsorship and advertising, +7%.



Strong increase in active Cinebuzz members +33% and record growth in digital revenues +22%, via new strategies.

YEAR ENDED 30 JUNE	2017	2018	VARIANCE
Admissions (000)	33,476	31,653	(5.4)%
Revenue (\$000)	471,188	455,121	(3.4)%
EBITDA (\$000)	107,662	95,830	(11.0)%
Normalised PBIT (\$000)	78,957	68,600	(13.1)%





ENTERTAINMENT GERMANY



German market box office was down 9% impacted by the cyclical impact of FIFA World Cup and record warm weather.



German content contributed 21% of total market box office up from 14% in the prior year.



Strong growth from Food and Beverage spend per admission +7%.

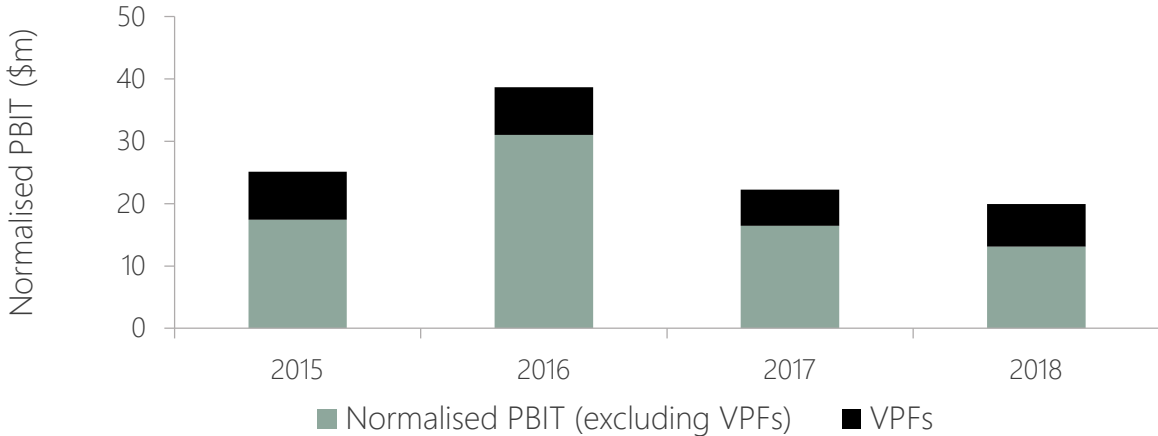


Strong 3D appeal relative to Australia and New Zealand markets.



Good growth in loyalty membership +27.8%, with launch of new CRM platform.

YEAR ENDED 30 JUNE	2017	2018	VARIANCE
Admissions (000)	14,775	13,199	(10.7)%
Revenue (\$000)	307,107	307,383	0.1%
EBITDA (\$000)	32,562	30,906	(5.1)%
Normalised PBIT (\$000)	22,246	19,918	(10.5)%



ENTERTAINMENT NEW ZEALAND



NZ market marginally down 1.5% on prior year.



Strong profit growth +11%, driven by good cost control on relatively flat admissions.



Games revenue up 12.5% with new redemption prize hubs. Opportunity to expand.



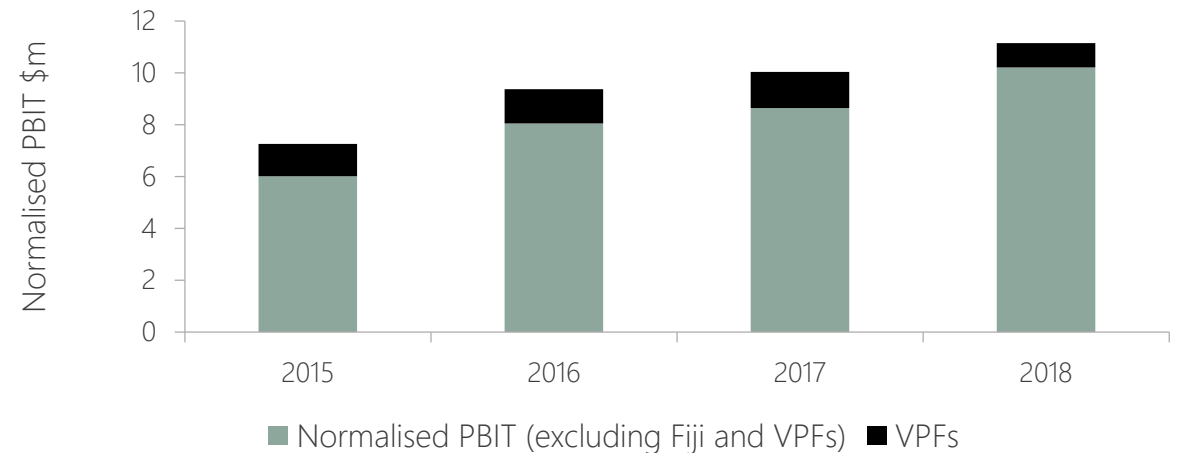
Good growth in Food and Beverage spend per head +3.5%.



Good growth in loyalty membership +17% since 30 June.

YEAR ENDED 30 JUNE	2017	2018	VARIANCE
Admissions (000)	5,491	5,503	0.2%
Revenue (\$000)	88,549	87,308	(1.4)%
EBITDA (\$000)	16,259	17,018	4.7%
Normalised PBIT (\$000)	10,045	11,150	11.0%

Excluding the contribution from the Fiji Cinema Joint Venture





HOTELS AND RESORTS

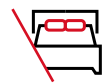


HOTELS & RESORTS

ALL BRANDS DELIVER GROWTH



Strong performance across all brands resulting in PBIT +31.4% and REVPAR +7.5%.



Growth in occupancy, average room rate and REVPAR across the Group.



Strong Food and Beverage revenue growth +11% assisted by new hotels.



5 new Hotel Management Agreements secured and a key management contract renewed.



New operating structure performing well, improved digital capability and automation.



QT Perth opened in August and Atura Adelaide Airport will open in September.

YEAR ENDED 30 JUNE	2017	2018	VARIANCE
Revenue (\$000)	306,403	337,093	10.0%
EBITDA (\$000)	74,167	96,185	29.7%
Normalised PBIT (\$000)	52,734	69,270	31.4%

OWNED HOTELS	2017	2018	VARIANCE
Occupancy	76.5%	79.5%	3.0%
Average room rate	\$179	\$185	3.4%
Revpar	\$137	\$147	7.5%

REVPAR BY BRAND





OWNED HOTELS	2017	2018	VARIANCE
Occupancy	78.0%	80.3%	2.3%
Average room rate	\$159	\$160	0.6%
Revpar	\$124	\$128	3.6%



	2017	2018	VARIANCE
Occupancy	76.3%	80.7%	4.4%
Average room rate	\$222	\$235	5.7%
Revpar	\$170	\$190	11.8%





	2017	2018	VARIANCE
Occupancy	70.1%	72.3%	2.2%
Average room rate	\$139	\$141	1.2%
Revpar	\$98	\$102	4.3%

	2017	2018
 Hotels	47	43
 Rooms	7,412	7,189

*Includes owned and managed properties

	2017	2018
 Hotels	8	9
 Rooms	1,330	1,396

	2017	2018
 Hotels	3	3
 Rooms	390	390



THREDBO

THREDBO RECORD RESULT

YEAR ENDED 30 JUNE	2017	2018	VARIANCE
Revenue (\$000)	66,609	72,971	9.6%
EBITDA (\$000)	22,007	25,705	16.8%
Normalised PBIT (\$000)	18,187	21,838	20.1%



Thredbo delivered growth revenue, EBITDA and a record PBIT result, +20.1%.



Natural snowfall contributed to an extended season with visitation in September 2017 up 40% on September 2016.



Good performance across all areas including:

- / 10% increase in lifts revenue.
- / 15% increase in food and beverage revenue.



Summer revenues continue to grow +19%. Mountain Biking contribution exceeds \$1m for the first time.



Development plan underway to unlock value from Thredbo over next 2-3 years.

SEASON PERFORMANCE



WINTER MONTHS	2017	2018	VARIANCE
Revenue (\$000)	52,960	56,732	7.1%
EBITDA (\$000)	25,004	27,965	11.8%
Normalised PBIT (\$000)	21,396	24,421	14.1%



SUMMER MONTHS	2017	2018	VARIANCE
Revenue (\$000)	13,649	16,239	19.0%
EBITDA (\$000)	(2,997)	(2,260)	(24.6)%
Normalised PBIT (\$000)	(3,209)	(2,583)	(19.5)%



PROPERTY

STRONG PROPERTY PORTFOLIO

VALUE INCREASES TO \$2.0BN +29%

YEAR ENDED 30 JUNE	2017	2018	VARIANCE
Revenue (\$000)	15,512	18,026	16.2%
Fair value adjustments (\$000)	(250)	5,750	-
EBITDA (\$000)	11,996	19,522	62.7%
Normalised PBIT (\$000)	9,343	16,528	76.9%



Increase in rental income of 16% was achieved.



\$5.75m was booked to reflect the fair value adjustments on investment properties.



458-472 George Street – commercial component to be developed in a joint venture arrangement.

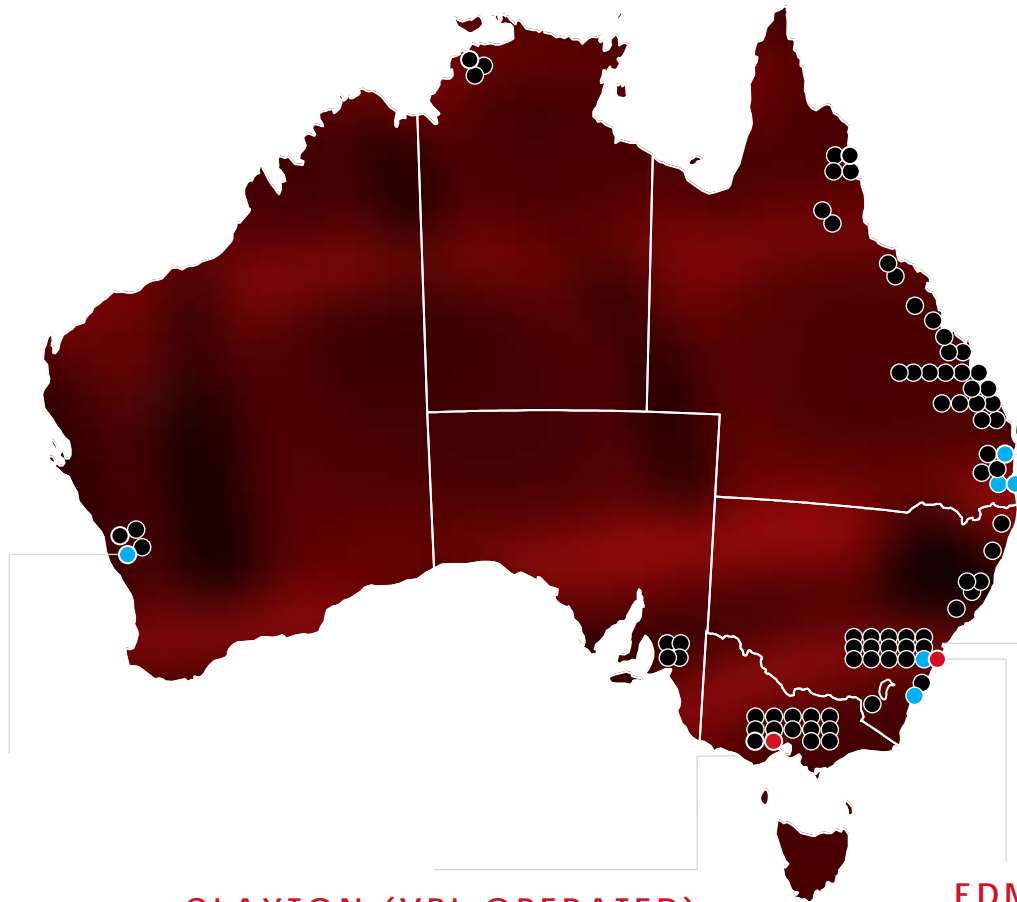
\$ MILLIONS	FAIR VALUE	BOOK VALUE
Operating assets	1,963	1,118
Investment properties	74	74
Total	2,037	1,192



KEY
DEVELOPMENT
OPPORTUNITIES

CINEMA DEVELOPMENTS

INNALOO
/ 14 screens
/ New Concept
/ Q4 2020 | 50%



CLAYTON (VRL OPERATED)
/ 5 screens
/ Q2 2020 | 50%

KAWANA
/ 9 screens
/ 3 Gold Class
/ 2 Vmax
/ New Concept
/ December 2018 | 100%

COOMERA
/ 8 screens
/ 2 Gold Class
/ 2 Vmax
/ New Concept
/ October 2018 | 100%

CASTLE HILL
/ 15 screens
/ New Concept
/ Q3 2022 | 50%

GREEN SQUARE
/ 5 screens
/ New Concept
/ Q3 2022 | 50%

EDMONDSON SQUARE
/ 6 screens
/ New Concept
/ Q2 2020 | 50%

- Existing cinemas
- Future cinema developments
- New Concept Trials/Upgrades plans underway

NEWMARKET
/ 7 screens
/ New Concept
/ Q3 2019 | 100%

TAURANGA CROSSING
/ 6 screens
/ New Concept
/ Q2 2019 | 100%

HOTEL DEVELOPMENT POTENTIAL FOR GROWTH





FOCUS AREAS GOING FORWARD

1

GROW EXISTING BUSINESS REVENUE

- / Smarter pricing
- / Better sales practices
- / Focus on high margin products

2

MAXIMISE ASSET PERFORMANCE

- / Innovate and upgrade priority assets
- / Divest underperforming
- / Invest in priority developments
- / Acquire

3

BUSINESS TRANSFORMATION

- / Reduce duplication
- / Increase automation
- / Increase digital capability and performance

NON - IFRS FINANCIAL INFORMATION

The EVENT Group results are prepared under Australian Accounting Standards, and also comply with International Financial Reporting Standards (“IFRS”). This presentation includes certain non-IFRS measures, including the normalised profit concept. These measures are used internally by management to assess the performance of the business, make decisions on the allocation of resources and assess operational performance. Non-IFRS measures have not been subject to audit or review, however all items used to calculate these non-IFRS measures have been derived from information used in the preparation of the reviewed financial statements. Included in the Appendix 4E for the year ended 30 June 2018 is a reconciliation of the Normalised Result to the Statutory Result.