EVENT

HOSPITALITY & ENTERTAINMENT

Event Hospitality & Entertainment Limited

Financial Results
For the half year ended 31 December 2015

This half year report is presented under listing rule 4.2A and should be read in conjunction with the Amalgamated Holdings Limited 2015 Annual Report. The company changed its name from Amalgamated Holdings Limited to Event Hospitality & Entertainment Limited on 17 December 2015.

ASX code:	EVT (previously AHD)
Released:	18 February 2016
Telephone:	+61 2 9373 6600
Contact:	David Seargeant (Managing Director)
	David Stone (Company Secretary)

EST 1910

APPENDIX 4D
HALF YEARLY REPORT
RESULTS FOR ANNOUNCEMENT TO THE MARKET

for the half year ended 31 December 2015

(previous corresponding period: half year ended 31 December 2014)

Key Information

				2015 A$'000	2014 A$'000
Revenue and other income	Up	15.9%	to	661,064	570,534
Total revenues and other income	Up	15.9%	to	661,064	570,534
Profit before net finance costs and income tax expense	Up	44.2%	to	**109,729**	**76,096**
Net finance costs				(3,640)	(3,716)
Profit before income tax expense	Up	46.6%	to	**106,089**	**72,380**
Income tax expense				(29,337)	(21,190)
Profit for the period attributable to members of the parent entity	Up	49.9%	to	**76,752**	**51,190**

Dividends (distributions)		Amount per security	Franked amount per security
Final dividend	- 2015 (paid 17 September 2015)	29 ¢	29 ¢
Special dividend	- 2015 (paid 17 September 2015)	8 ¢	8 ¢
Interim dividend	- Current year	20 ¢	20 ¢
	- Previous corresponding period	16 ¢	16 ¢

Record date for determining entitlements to the dividend	3rd March 2016
Date of interim dividend payment	17th March 2016

Explanation of Revenue
See attached annexure and the Directors' Report.

Explanation of Profit from Ordinary Activities after Tax
See attached annexure and the Directors' Report.

Explanation of Net Profit
See attached interim consolidated financial report.

Explanation of Dividends
See attached interim consolidated financial report.

Net Tangible Asset Backing

	December 2015	December 2014
Net tangible asset backing per share	$5.51	$5.23

Controlled Entities Acquired or Disposed of
See attached interim consolidated financial report.

Additional Dividend Information
See attached interim consolidated financial report.

Dividend Re-Investment Plans
The Dividend Re-Investment Plan ("DRP") was suspended in August 2010 and will not operate for the 2016 interim dividend.

Associates and Joint Venture Entities
See attached interim consolidated financial report.

Compliance Statement
The information provided in this report has been prepared in accordance with Australian Accounting Standards, the *Corporations Act 2001* and other standards acceptable to the ASX.

The attached interim consolidated financial report for Event Hospitality & Entertainment Limited has been subject to review by its auditors, KPMG. A copy of the independent auditor's review report to the members of Event Hospitality & Entertainment Limited is attached.

REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2015

CONSOLIDATED GROUP RESULT	31 December 2015		31 December 2014	
	Normalised result* $'000	Reconciliation to reported net profit $'000	Normalised result* $'000	Reconciliation to reported net profit $'000
Entertainment				
Australia	38,701	38,701	26,128	26,128
New Zealand	4,300	4,300	3,030	3,030
Germany	26,443	26,443	10,574	10,574
Hospitality and Leisure				
Hotels and Resorts	29,044	29,044	23,214	23,214
Thredbo Alpine Resort	18,439	18,439	16,917	16,917
Property and Other Investments	3,008	3,008	3,878	3,878
Unallocated revenues and expenses	(10,206)	(10,206)	(7,645)	(7,645)
	109,729	**109,729**	**76,096**	**76,096**
Finance revenue	515	515	642	642
Finance costs	(4,155)	(4,155)	(4,358)	(4,358)
	106,089	**106,089**	**72,380**	**72,380**
Income tax expense	(29,337)	(29,337)	(21,190)	(21,190)
	76,752	**76,752**	**51,190**	**51,190**
Individually significant items – net of tax		–		–
Reported net profit		**76,752**		**51,190**

* Normalised result is profit for the period before individually significant items (as outlined in Note 4 to the interim consolidated financial report). As outlined in Note 2 to the interim consolidated financial report, this measure is used by the Group's Managing Director to allocate resources and in assessing the relative performance of the Group's operations. The normalised result is an unaudited non-IFRS measure.

OVERVIEW

Reported net profit was $76,752,000, an increase of $25,562,000 or 49.9% above the prior comparable half year. There were no individually significant items during the half year or during the prior comparable half year.

REVIEW OF OPERATIONS

Entertainment

Entertainment Australia

The normalised profit before interest and income tax expense was $38,701,000, an increase of $12,573,000 or 48.1% above the prior comparable half year. The result was predominately driven by a 15.6% increase in Box Office and assisted by improved merchandising and screen advertising revenues.

A strong film line up during the half year concluded with a record Box Office result for the December 2015 month. The standout release was *Star Wars: The Force Awakens* which grossed over $62.7 million during the half year. *Star Wars: The Force Awakens* has subsequently gone on to gross over $90 million, second only to the very successful *Avatar*, which was released in 2009 and grossed in-excess of $115 million at the Australian Box Office.

A further three titles grossed in-excess of $20 million at the Australian Box Office during the half year. These titles included: *Spectre* ($34.4 million) from the successful Bond franchise; *The Hunger Games: Mockingjay Part 2* ($29.0 million); and *The Martian* ($27.4 million). A total of 19 films grossed more than $10 million at the Australian Box Office, compared to 13 films in the prior comparable half year.

The uplift in premium admissions (both Vmax and Gold Class) and increased ratio of 3D content favourably impacted the average ticket price. Merchandising revenue spend per admission experienced positive growth across both Gold Class and Scoop Alley Candy Bars and the contribution from merchandising strengthened considerably in the November and December months through improvements in traditional candy bar combo offerings and Gold Class packages.

The Group continues to pursue increased market share and visitation loyalty through the Cinebuzz loyalty program and the number of active Cinebuzz members at 31 December 2015 totalled 1,029,000.

During the half year, the Group launched four new cinema complexes. These complexes include a total of 34 screens, including eleven premium screens (Gold Class and Vmax) that feature the latest Dolby Atmos immersive audio. The cinemas include:

- Event Springfield opened in October 2015 (four traditional, two Gold Class and two Vmax screens);
- Event Pacific Fair re-opened in November 2015 (seven traditional, one Vmax and three Gold Class screens);
- Event Hurstville relaunched in November 2015 (one Vmax and six traditional screens); and
- Event Kotara opened in December 2015 (five traditional, one Vmax and two Gold Class screens).

Entertainment New Zealand

The normalised profit before interest and income tax expense was $4,300,000, an increase of $1,270,000 or 41.9% above the prior comparable half year. The result was achieved through improved Box Office and merchandising revenue and benefited from the acquisition, completed in December 2014, of two cinema complexes located in the Bay of Plenty region.

Box Office increased by 4.7% compared to the prior comparable half year with the main titles consisting of: *Star Wars: The Force Awakens* (NZ$9.4 million); *Spectre* (NZ$5.7 million); *The Hunger Games: Mockingjay Part 2* (NZ$4.9 million); and *Minions* (NZ$4.7 million). These four titles achieved a combined total of NZ$24.7 million compared to the top four titles in the prior comparable half year which collectively grossed NZ$20.3 million.

Merchandising revenue spend per admission continued to grow, driven by an ongoing focussed sales approach along with a number of successful Candy Bar Combo promotions. Similar to the Australian circuit, the New Zealand circuit continues to pursue market share, particularly through the Cinebuzz loyalty program. The number of active members as at 31 December 2015 totalled 153,000.

The Entertainment New Zealand result is inclusive of the Group's Fiji Cinema Joint Venture, which includes a 66.7% share in three cinemas located in Fiji. The cinemas in Fiji contributed $611,000 to the total result.

Entertainment Germany

The normalised profit before interest and income tax expense was $26,443,000, an increase of $15,869,000 or 150.1% above the prior comparable half year. The main contributors to the result included a 7.8% rise in admissions, increased average admission price and improved merchandising revenues and margins.

There were seven titles which achieved in excess of two million admissions at the German Box Office during the half year. The international titles included the record breaking opening of *Star Wars: The Force Awakens* (5.8 million admissions in 15 days), *Minions* (6.8 million admissions); *Spectre* (6.5 million admissions); *The Hunger Games: Mockingjay Part 2* (3.7 million admissions); and *Inside Out* (3.4 million admissions). German-produced titles performed well with two hits: *Fack ju Göhte* 2 (7.6 million admissions); and *Er Ist Wieder Da* (2.4 million admissions). These seven films achieved a combined total of 36.2 million admissions compared to the top seven films during the prior comparable half year which collectively achieved 20.2 million admissions.

The continued promotion and uptake of the loyalty program, CineStarCARD, has resulted in the membership base increasing to over 550,000 members.

The Group acquired two freehold properties, located at Stade and Düsseldorf, during the half year. The combined acquisition price totalled €11.2 million (A$16.7 million) and the sites include cinemas already operated by the Group. The freehold property at Stade also includes a 65 room hotel (leased to an unrelated hotel group) and a number of retail outlets.

Hospitality and Leisure

Hotels and Resorts

The normalised profit before interest and income tax expense was $29,044,000, an increase of $5,830,000 or 25.1% above the prior comparable half year. Occupancy in the Group's owned hotels increased by 2.9 percentage points to 78.9% and average room rate increased 4.1% to $167, resulting in an uplift in revenue per room (revpar) of 8.1% over the prior comparable half year. Good domestic demand combined with a resurgence within the inbound market resulted in pleasing profit growth in the Group's key hotel properties, including those in Sydney, Melbourne, Rotorua and Queenstown.

Profit from the Group's QT Hotels and Resorts was strong with improved performances from each QT property delivering a combined occupancy increase of 6.7 points to 79.3%. QT Sydney continued its recent profit growth as the hotel and brand continues to mature and gain market traction and share and build customer loyalty. The Group's other QT properties each delivered revenue and profit growth largely driven by improved accommodation revenues. The Museum Art Hotel in Wellington (to be rebranded QT Wellington) was acquired in August 2015 and has contributed $1,256,000 to the Group's profit increase.

The good result from Rydges Hotels was marginally impacted by the short-term disruption caused by the refurbishment of Rydges Parramatta, which commenced in October 2015. The owned Rydges Hotels delivered a combined occupancy increase of 1.3 points to 81.0%. Whilst most locations performed well, there continues to be a difficult trading environment for Rydges Gladstone and Rydges Townsville, both located in central Queensland, where business has been subdued by the downturn in the resource and mining sectors, and this impact has been compounded by the increased room supply within those locations. Costs were generally well controlled and margins remain at acceptable levels.

The Atura Hotel brand also delivered a strong result with a combined occupancy increase of 4.7 points to 68.2%. Atura Blacktown continued to consolidate its market share within its Western Sydney catchment area with an increase in profit of $468,000 over the prior comparable half year. Atura Dandenong and Atura Albury both contributed to the profit uplift and continue to improve business levels from the corporate and leisure markets.

In relation to managed hotels, performance was largely positive with the exception of the Darwin properties which were impacted by the significant slowdown in the resource and mining sectors.

The new 69 room QT Bondi opened on 21 December 2015. Rydges Palmerston Darwin opened in September 2015 and Rydges Fortitude Valley recently opened in February 2016. The management agreement for Rydges Darwin Airport Hotel and Rydges Darwin Airport Resort have been terminated and these properties will leave the Group's managed portfolio at the end of February 2016.

Thredbo Alpine Resort

The normalised profit before interest and income tax expense was $18,439,000, an increase of $1,522,000 or 9.0% above the comparable prior half year.

The result from the 2015 snow season, despite lower than average snowfall, was one of the most successful on record. Snow depth peaked at 148.8cm in September 2015 compared with 168.5cm on 24 July 2014 in the prior season, however some excellent snow making conditions prevailed and consistent cold night time temperatures assisted with cost efficient snow production. Skiers were able to enjoy top-to-bottom skiing from the opening weekend in June until the close of the season in October.

Material growth in season pass sales boosted skier day growth of 7.3% to 436,000 skier days and the recent acquisition of the on-mountain food outlet, Merritts Mountain House, contributed to a 24% growth in food and beverage revenue.

The All Mountain Descent mountain bike trail opened in November 2015 and has already contributed to a 42% growth in mountain biking revenue.

Property and Other Investments

The normalised profit before interest and income tax expense was $3,008,000, a decrease of $870,000 or 22.4% below the prior comparable half year. The result was impacted by additional pre-opening and depreciation costs on two property developments recently completed by the Group. The result benefited from a fair value increment relating to the investment properties of $1,080,000, compared to an increment of $578,000 in the prior comparable half year.

The two recently completed property developments include:

- the redevelopment of the Group's former cinema site at Double Bay which was completed in August 2015 and incorporates ground floor retail and four levels of serviced office facilities; and
- the 16 level redevelopment at 478 George Street in Sydney was completed in October 2015 and accommodates the Group's corporate office. The development also incorporates four levels of serviced office facilities and three levels of retail to be occupied by Flight Centre.

The serviced offices at both locations are operated by the Group under the Edge Serviced Offices brand.

EVENT HOSPITALITY & ENTERTAINMENT LIMITED

INTERIM CONSOLIDATED FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2015

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EVENT HOSPITALITY & ENTERTAINMENT LIMITED AND ITS CONTROLLED ENTITIES
DIRECTORS' REPORT

The directors present their report together with the interim consolidated financial report for the half year ended 31 December 2015 and the independent auditors' review report thereon.

Directors
The directors of the Company at any time during or since the end of the half year period are:

Name	**Period of directorship**
Mr AG Rydge (Chairman)	Director since 1978
Mr DC Seargeant (Managing Director)	Director since 2001
Mr RG Newton	Director since 2008
Mr PR Coates *AO*	Director since 2009
Mr KG Chapman	Director since 2010
Ms VA Davies	Director since 2011
Mr DC Grant	Director since 2013
Mrs PM Mann	Director since 2013

Review of operations
The review and results of operations are set out in the Annexure to the Appendix 4D.

Dividend
On 18 February 2016 the directors declared an interim dividend of $32,111,985 (20 cents per share).

Lead auditor's independence declaration under section 307C of the *Corporations Act 2001*
The lead auditor's independence declaration is set out on page 10 and forms part of the directors' report for the half year ended 31 December 2015.

Rounding off
The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with the class order, amounts in the financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the directors:

AG Rydge
Director

DC Seargeant
Director

Dated at Sydney this 18th day of February 2016.

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Event Hospitality and Entertainment Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2015 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Kenneth Reid
Partner

Sydney

18 February 2016

EVENT HOSPITALITY & ENTERTAINMENT LIMITED AND ITS CONTROLLED ENTITIES
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Note	31 Dec 2015 $'000	30 June 2015 $'000
ASSETS			
Current assets			
Cash and cash equivalents		174,046	133,680
Trade and other receivables		54,819	47,192
Inventories		27,246	19,909
Prepayments and other current assets		9,881	17,535
Total current assets		265,992	218,316
Non-current assets			
Trade and other receivables		1,053	1,098
Other financial assets		1,396	1,398
Available-for-sale financial assets		21,447	19,972
Investments accounted for using the equity method	7	12,138	11,054
Property, plant and equipment	8	999,293	911,942
Investment properties		69,000	71,050
Goodwill and other intangible assets	9	105,218	89,555
Deferred tax assets		8,192	7,869
Other non-current assets		7,034	4,848
Total non-current assets		1,224,771	1,118,786
Total assets		1,490,763	1,337,102
LIABILITIES			
Current liabilities			
Trade and other payables		106,339	97,332
Loans and borrowings	10	1,190	990
Current tax liabilities		12,092	16,009
Provisions		19,008	18,841
Deferred revenue		105,150	82,874
Other current liabilities		3,996	4,264
Total current liabilities		247,775	220,310
Non-current liabilities			
Loans and borrowings	10	211,192	118,085
Deferred tax liabilities		20,076	11,952
Provisions		10,807	10,531
Deferred revenue		7,493	9,413
Other non-current liabilities		3,916	3,907
Total non-current liabilities		253,484	153,888
Total liabilities		501,259	374,198
Net assets		989,504	962,904
EQUITY			
Share capital	11	219,126	219,126
Reserves	12	44,465	35,210
Retained earnings		725,913	708,568
Total equity		989,504	962,904

The Statement of Financial Position is to be read in conjunction with the condensed notes to the interim consolidated financial report on pages 16 to 30.

EVENT HOSPITALITY & ENTERTAINMENT LIMITED AND ITS CONTROLLED ENTITIES
INCOME STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2015

	Note	31 Dec 2015 $'000	31 Dec 2014 $'000
Revenue and other income			
Revenue from sale of goods and rendering of services	3	635,705	546,010
Other revenue and income	3	25,359	24,524
		661,064	570,534
Expenses			
Employee expenses		(150,070)	(132,757)
Occupancy expenses		(126,259)	(119,575)
Film hire and other film expenses		(132,206)	(109,044)
Purchases and other direct expenses		(55,965)	(50,060)
Amortisation and depreciation		(35,418)	(33,422)
Other operating expenses		(34,230)	(32,687)
Advertising, commissions and marketing expenses		(18,315)	(17,861)
Finance costs		(4,155)	(4,358)
		(556,618)	(499,764)
Equity profit			
Share of net (loss)/profit of equity accounted investees:			
Associates	13	(3)	3
Joint ventures	13	1,646	1,607
		1,643	1,610
Profit before income tax expense	4	106,089	72,380
Income tax expense	6	(29,337)	(21,190)
Profit for the period		76,752	51,190

	31 Dec 2015 Cents	31 Dec 2014 Cents
Earnings per share:		
Basic earnings per share	48.5	32.4
Diluted earnings per share	47.9	32.0

The Income Statement is to be read in conjunction with the condensed notes to the interim consolidated financial report on pages 16 to 30.

EVENT HOSPITALITY & ENTERTAINMENT LIMITED AND ITS CONTROLLED ENTITIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2015

	31 Dec 2015 $'000	31 Dec 2014 $'000
Profit for the period	76,752	51,190
Other comprehensive income		
Items that may be reclassified to profit or loss		
Foreign currency translation differences for foreign operations – net of tax	5,982	4,030
Net change in fair value of available-for-sale financial assets – net of tax	1,032	419
Net change in fair value of cash flow hedges – net of tax	(16)	39
Other comprehensive income for the period – net of tax	6,998	4,488
Total comprehensive income for the period	83,750	55,678

The Statement of Comprehensive Income is to be read in conjunction with the condensed notes to the interim consolidated financial report on pages 16 to 30.

EVENT HOSPITALITY & ENTERTAINMENT LIMITED AND ITS CONTROLLED ENTITIES
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2015

	Share capital $'000	Reserves $'000	Retained earnings $'000	Total equity $'000
Balance at 1 July 2015	219,126	35,210	708,568	962,904
Profit for the period	–	–	76,752	76,752
Other comprehensive income				
Foreign currency translation differences for foreign operations – net of tax	–	5,982	–	5,982
Net change in fair value of available-for-sale financial assets – net of tax	–	1,032	–	1,032
Net change in fair value of cash flow hedges – net of tax	–	(16)	–	(16)
Total other comprehensive income recognised directly in equity	–	6,998	–	6,998
Total comprehensive income for the period	–	6,998	76,752	83,750
Employee share-based payments expense – net of tax	–	2,257	–	2,257
Dividends paid	–	–	(59,407)	(59,407)
Balance at 31 December 2015	219,126	44,465	725,913	989,504
Balance at 1 July 2014	219,126	32,510	668,719	920,355
Profit for the period	–	–	51,190	51,190
Other comprehensive income				
Foreign currency translation differences for foreign operations – net of tax	–	4,030	–	4,030
Net change in fair value of available-for-sale financial assets – net of tax	–	419	–	419
Net change in fair value of cash flow hedges – net of tax	–	39	–	39
Total other comprehensive income recognised directly in equity	–	4,488	–	4,488
Total comprehensive income for the period	–	4,488	51,190	55,678
Employee share-based payments expense – net of tax	–	(224)	–	(224)
Dividends paid	–	–	(43,351)	(43,351)
Balance at 31 December 2014	219,126	36,774	676,558	932,458

The Statement of Changes in Equity is to be read in conjunction with the condensed notes to the interim consolidated financial report on pages 16 to 30.

EVENT HOSPITALITY & ENTERTAINMENT LIMITED AND ITS CONTROLLED ENTITIES
STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2015

	31 Dec 2015 $'000	31 Dec 2014 $'000
Cash flows from operating activities		
Cash receipts in the course of operations	722,738	605,463
Cash payments in the course of operations	(578,881)	(495,567)
Cash provided by operations	143,857	109,896
Distributions from associates and joint ventures	644	252
Other revenue	23,346	22,889
Dividends received	418	405
Interest received	522	642
Finance costs paid	(4,042)	(4,278)
Income tax refunds	237	4,546
Income tax paid	(29,956)	(16,489)
Net cash provided by operating activities	135,026	117,863
Cash flows from investing activities		
Payments for property, plant and equipment and redevelopment of properties	(88,348)	(45,698)
Payment for additional interests in joint operations, net of cash acquired	(6,751)	–
Payment for business acquired, including intangible assets	(26,549)	(8,007)
Payments for management rights, software and other intangible assets	(4,890)	(361)
Decrease in loans from other entities	(578)	(552)
Proceeds from disposal of property, plant and equipment	90	–
Net cash used by investing activities	(127,026)	(54,618)
Cash flows from financing activities		
Proceeds from borrowings	136,324	56,000
Repayment of borrowings	(46,077)	(38,000)
Dividends paid	(59,407)	(43,351)
Net cash provided/(used) by financing activities	30,840	(25,351)
Net increase in cash and cash equivalents	38,840	37,894
Cash and cash equivalents at the beginning of the period	133,680	91,069
Effect of exchange rate fluctuations on cash held	1,526	2,074
Cash and cash equivalents at the end of the period	174,046	131,037

The Statement of Cash Flows is to be read in conjunction with the condensed notes to the interim consolidated financial report on pages 16 to 30.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND COMPLIANCE

Event Hospitality & Entertainment Limited ("Company") (formerly Amalgamated Holdings Limited) is a company domiciled in Australia. The name of the Company was changed to Event Hospitality & Entertainment Limited on 17 December 2015. The condensed interim consolidated financial report of the Company as at and for the six months ended 31 December 2015 comprises the Company and its subsidiaries (collectively referred to as "Group" or "Consolidated Entity") and the Group's interest in associates and jointly controlled entities.

The interim consolidated financial report was authorised by the Board of the Company for issue on 18 February 2016.

(a) Statement of Compliance

The interim consolidated financial report is a general purpose financial report which has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reports* and the *Corporations Act 2001*.

The interim consolidated financial report does not include all of the information required for a full annual financial report.

It is recommended that this interim consolidated financial report be read in conjunction with the most recent annual financial report for the year ended 30 June 2015. This report should also be read in conjunction with any public announcements made by the Company during the half year in accordance with continuous disclosure obligations arising under the *Corporations Act 2001*.

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with the Class Order, amounts in the financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

(b) Significant Accounting Policies

The accounting policies applied by the Group in this interim consolidated financial report are the same as those applied by the Group in its consolidated financial report as at and for the year ended 30 June 2015.

(c) Estimates

The preparation of the interim consolidated financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the interim consolidated financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report as at and for the year ended 30 June 2015.

(d) Financial Risk Management

The Group's financial risk management systems are consistent with that disclosed in the consolidated financial report as at and for the year ended 30 June 2015.

NOTE 2 – SEGMENT REPORTING

An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses from transactions with other Group segments. All segments' operating results are regularly reviewed by the Group's Managing Director to make decisions about resources to be allocated to a segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Managing Director include items directly attributable to a segment, before individually significant items, as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate head office assets, head office expenses, and income tax assets and liabilities.

Additions to non-current segment assets are the total cost incurred during the period to acquire assets that include amounts expected to be recovered over more than 12 months after the year end date. Amounts include property, plant and equipment, but exclude financial instruments and deferred tax assets.

Segment information is presented in respect of the Group's reporting segments. These are the Group's main strategic business segments and have differing risks and rewards associated with the business due to their different product or service and geographic markets. For each of these operating segments, the Group's Managing Director regularly reviews internal management reports.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax as included in the internal management reports. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of segments relative to those of other businesses. Inter-segment pricing is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise interest bearing loans and borrowings and borrowing costs, interest income and corporate head office assets and expenses.

Operating segments
The Group comprises the following main operating segments:

- **Entertainment Australia**
  Includes the cinema exhibition operations in Australia, technology equipment supply and servicing, and the State Theatre.
- **Entertainment New Zealand**
  Includes cinema exhibition operations in New Zealand and Fiji.
- **Entertainment Germany**
  Includes the cinema exhibition operations in Germany.
- **Hotels and Resorts**
  Includes the ownership, operation and management of hotels in Australia and overseas.
- **Thredbo Alpine Resort**
  Includes all the operations of the resort including property development activities.
- **Property and Other Investments**
  Includes property rental, investment properties and available-for-sale financial assets.

NOTE 2 – SEGMENT REPORTING (CONTINUED)

	Entertainment						
Operating segments	**Australia $'000**	**New Zealand $'000**	**Germany $'000**	**Hotels and Resorts $'000**	**Thredbo Alpine Resort $'000**	**Property and Other Investments $'000**	**Consolidated $'000**
31 December 2015							
Revenue and other income							
External segment revenue	227,571	42,509	190,524	143,558	47,533	7,336	659,031
Other income – external	–	–	–	6	–	1,492	1,498
Finance revenue							515
Other unallocated revenue							20
Revenue and other income							661,064
Result							
Segment result	38,603	4,300	24,898	29,044	18,439	3,008	118,292
Share of net profit of equity accounted investees	98	–	1,545	–	–	–	1,643
Total segment result	38,701	4,300	26,443	29,044	18,439	3,008	119,935
Unallocated revenue and expenses							(10,206)
Net finance costs							(3,640)
Profit before related income tax expense							106,089
Income tax expense							(29,337)
Profit after income tax expense							76,752
Reportable segment assets	312,347	77,256	213,382	566,614	39,852	231,515	1,440,966
Equity accounted investments	8,126	–	4,012	–	–	–	12,138
Deferred tax assets							8,192
Unallocated corporate assets							29,467
Total assets							1,490,763

NOTE 2 – SEGMENT REPORTING (CONTINUED)	Entertainment						
Operating segments	Australia $'000	New Zealand $'000	Germany $'000	Hotels and Resorts $'000	Thredbo Alpine Resort $'000	Property and Other Investments $'000	Consolidated $'000
31 December 2014							
Revenue and other income							
External segment revenue	192,238	39,301	153,538	130,028	45,906	7,749	568,760
Other income – external	–	–	–	134	–	978	1,112
Finance revenue							642
Other unallocated revenue							20
Revenue and other income							570,534
Result							
Segment result	26,111	3,030	8,981	23,214	16,917	3,878	82,131
Share of net profit of equity accounted investees	17	–	1,593	–	–	–	1,610
Total segment result	26,128	3,030	10,574	23,214	16,917	3,878	83,741
Unallocated revenue and expenses							(7,645)
Net finance costs							(3,716)
Profit before related income tax expense							72,380
Income tax expense							(21,190)
Profit after income tax expense							51,190
Reportable segment assets	269,014	78,674	175,874	513,983	38,785	191,802	1,268,132
Equity accounted investments	10,098	–	2,122	–	–	–	12,220
Deferred tax assets							8,293
Unallocated corporate assets							23,509
Total assets							1,312,154

NOTE 3 – REVENUE AND OTHER INCOME

	31 Dec 2015 $'000	31 Dec 2014 $'000
Revenue		
Rendering of services	445,098	376,200
Sale of goods	190,607	169,810
	635,705	546,010
Other Revenue		
Rental revenue	12,151	11,514
Management and consulting fees	10,875	10,785
Finance revenue	515	642
Dividends	418	405
Sundry	320	471
	24,279	23,817
Other income		
Insurance proceeds	–	129
Increase in fair value of investment property	1,080	578
	1,080	707
	661,064	570,534

NOTE 4 – PROFIT BEFORE INCOME TAX

Profit before income tax expense includes the following items where disclosure is relevant in explaining the financial performance of the Group:

(a) Individually significant items

There were no individually significant items during the half year to 31 December 2015 or during the prior comparable half year.

(b) Seasonality of operations

The consolidated result includes the operations of the Thredbo Alpine Resort. Due to the timing of the Australian ski season, profits from this business for the financial year to 30 June 2016 have largely been earned in the half year to 31 December 2015.

NOTE 5 – DIVIDENDS

	Per share Cents	Total amount $'000	Date of payment	Tax rate for franking credit	Percentage franked
Dividends on ordinary shares paid in the current and comparative periods are:					
2015					
Final 2015 dividend	29	46,562	17 September 2015	30%	100%
Special dividend	8	12,845	17 September 2015	30%	100%
2014					
Final 2014 dividend	27	43,351	18 September 2014	30%	100%

Subsequent events

Since the end of the period, the directors declared the following dividend:

	Per share Cents	Total amount $'000	Date of payment	Tax rate for franking credit	Percentage franked
Interim 2016 dividend	20	32,112	17 March 2016	30%	100%

The financial effect of this interim dividend has not been brought to account in the interim consolidated financial report for the half year ended 31 December 2015 and will be recognised in subsequent consolidated financial reports.

NOTE 6 – TAXATION	31 Dec 2015 $'000	31 Dec 2014 $'000
Income tax expense		
The major components of income tax expense are:		
Income tax recognised in profit or loss	29,337	21,190
Current income tax		
Current income tax expense	26,445	19,351
Adjustments in respect of current income tax of prior period	(60)	204
Deferred income tax		
Relating to origination and reversal of temporary differences	2,952	1,635
Income tax expense reported in the Income Statement	29,337	21,190
Income tax charged/(credited) directly in equity		
Deferred income tax related to items charged/(credited) directly in equity		
Net (loss)/gain on revaluation of cash flow hedges	(3)	2
Net loss on hedge of net investment in overseas subsidiary	(219)	(165)
Unrealised gain on available-for-sale financial assets	442	180
Adjustments to share-based payments reserve	13	(16)
Currency translation movements of deferred tax balances of foreign operations	(136)	58
Income tax expense reported in equity	97	59
Reconciliation between tax expense and pre-tax net profit		
A reconciliation between tax expense and accounting profit before income tax multiplied by the Group's applicable income tax rate is as follows:		
Accounting profit before income tax expense	106,089	72,380
Prima facie income tax expense calculated at the Group's statutory income tax rate of 30% (2014: 30%) on accounting profit	31,827	21,714
Increase in income tax expense due to:		
Depreciation and amortisation of buildings	231	201
Non-refundable franking credits grossed up	53	51
Non-deductible items and losses in non-resident controlled entities	1,421	429
Non-deductible acquisition and legal costs	195	39
Amortisation of management rights and other intangible assets	464	486
Share of associates' net loss/(gain)	3	(2)
	2,367	1,204
Decrease in income tax expense due to:		
Tax losses from prior years now recognised or utilised	3,849	1,067
Franking credits on dividends received	177	171
Share of incorporated joint venture net profit	496	551
Fair value adjustment on investment properties recognised	–	15
Sundry items	275	128
	4,797	1,932
Income tax (over)/under provided in prior period	(60)	204
	29,337	21,190

NOTE 7 – INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD	31 Dec 2015 $'000	30 June 2015 $'000
Associates (refer to Note 13)	146	149
Joint ventures (refer to Note 13)	11,992	10,905
	12,138	11,054

NOTE 8 – PROPERTY, PLANT AND EQUIPMENT

Acquisitions

During the six months ended 31 December 2015 the Group acquired property, plant and equipment with a cost value of $109,986,000 (2014: $50,970,000)

NOTE 9 – GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill and other intangible assets comprise of goodwill, construction rights, management and leasehold rights, liquor licences and software. Movements in goodwill and other intangible assets during the half year period were as follows:

	31 Dec 2015 $'000
Balance at the beginning of the period – 1 July 2015	89,555
Additions	17,494
Net foreign currency differences on translation of foreign operations	1,279
Amortisation	(3,110)
Balance at the end of the period – 31 December 2015	105,218

NOTE 10 – LOANS AND BORROWINGS	31 Dec 2015 $'000	30 June 2015 $'000
Current		
Non-interest bearing loans		
Loans from other companies – unsecured	1,190	990
Non-current		
Interest bearing liabilities and borrowings		
Bank loans – secured	209,345	115,448
Deferred financing costs	(757)	(943)
	208,588	114,505
Non-interest bearing loans		
Loans from other companies – unsecured	2,604	3,580
	211,192	118,085

Bank debt – secured

The Group's secured bank debt facilities comprise the following:

- A$350,000,000 revolving multi-currency loan facility;
- A$30,000,000 credit support facility (for the issue of letters of credit and bank guarantees); and
- a A$50,000 overdraft limit to support its transactional banking facilities.

The above facilities were extended during the prior comparable half year period and mature on 12 September 2017 and are supported by interlocking guarantees from most Group entities and are secured by specific property mortgages. Debt drawn under these facilities bears interest at the relevant inter-bank benchmark reference rate plus a margin of between 1.1% and 2% per annum. At 31 December 2015, the Group had drawn $206,998,000 (30 June 2015: $113,126,000) under the debt facilities, of which $nil (30 June 2015: $nil) was subject to interest rate swaps used for hedging, and had drawn $4,089,000 under the credit support facility (30 June 2015: $7,305,000).

Other loans – secured

During the year ended 30 June 2014, certain wholly owned German subsidiaries arranged secured debt facilities comprising of the following:

- €5,000,000 (A$7,483,000) revolving three year loan facility; and
- €17,000,000 (A$25,441,000) five year guarantee facility (for the issue of letters of credit and bank guarantees).

These facilities are supported by interlocking guarantees from certain (non-Australian based) Group entities and are secured against a specific property in Germany. Debt drawn under these facilities bears interest at the relevant inter-bank benchmark rate plus a margin of between 0.75% and 2.75% per annum. At 31 December 2015, the Group had drawn €nil (A$nil) (30 June 2015: €nil (A$nil)) under the revolving three year loan facility and €12,596,000 (A$18,851,000) (30 June 2015: €12,684,000 (A$18,473,000)) under the five year guarantee facility.

In addition, a Group entity based in Fiji and its joint operation partner have secured debt bank facilities, including a FJ$6,000,000 (A$3,885,000) five year advance facility. At 31 December 2015, the Group's share of debt drawn under this facility was FJ$3,627,000 (A$2,347,000) (30 June 2015: FJ$3,745,000 (A$2,322,000)). These facilities are secured against a specific property in Fiji.

NOTE 11 – SHARE CAPITAL	31 Dec 2015 Shares	30 June 2015 Shares	31 Dec 2015 $'000	30 June 2015 $'000
Share capital				
Fully paid ordinary shares	158,545,436	158,106,883	219,126	219,126
Share capital consists of:				
Ordinary shares	158,384,185	157,941,764		
Tax Exempt Share Plan	48,131	49,499		
Employee Share Plan	113,120	115,620		
	158,545,436	158,106,883		
Treasury shares				
Performance shares	2,014,487	2,453,040		
	160,559,923	160,559,923		

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding-up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands, every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

NOTE 12 – RESERVES	31 Dec 2015 $'000	30 June 2015 $'000
Available-for-sale financial assets revaluation	15,057	14,025
Investment property revaluation	5,121	5,121
Hedging	(6)	10
Share-based payments	19,045	16,788
Foreign currency translation	5,248	(734)
	44,465	35,210

NOTE 13 – INTERESTS IN OTHER ENTITIES

Subsidiaries

A list of subsidiaries of the Group is set out in Note 5.2 of the 2015 Annual Report. Since 1 July 2015 there have been no significant changes to the Group's subsidiaries.

Joint Ventures

Details of the Group's investments in joint ventures, which are accounted for using the equity method, are as follows:

		Ownership interest		Investment carrying amount		Contribution to operating profit/(loss)		
Name	Principal activities	31 Dec 2015 %	30 Jun 2015 %	31 Dec 2015 $'000	30 Jun 2015 $'000	31 Dec 2015 $'000	31 Dec 2014 $'000	30 Jun 2015 $'000
Filmpalast am ZKM Karlsruhe GmbH & Co. KG	Operator of a multiscreen cinema complex	[a] 50	[a] 50	2,435	1,647	756	1,116	1,703
Filmpalast Konstanz GmbH & Co. KG	Operator of a multiscreen cinema complex	[a] 50	[a] 50	984	935	668	477	995
Loganholme Cinemas Pty Limited	Operator of a multiscreen cinema complex	50	50	7,980	7,879	101	14	360
Red Carpet Cinema Communication GmbH & Co KG	Event management	[a] 50	[a] 50	593	444	121	–	(156)
				11,992	10,905	1,646	1,607	2,902

Note:

(a) These companies are incorporated in Germany.

Associates

Details of the Group's investments in associates, which are accounted for using the equity method, are as follows:

		Ownership interest		Investment carrying amount		Contribution to operating profit/(loss)		
Name	Principal Activities	31 Dec 2015 %	30 Jun 2015 %	31 Dec 2015 $'000	30 Jun 2015 $'000	31 Dec 2015 $'000	31 Dec 2014 $'000	30 Jun 2015 $'000
Cinesound Movietone Productions Pty Limited	Film owner and distributor	50	50	146	149	(3)	3	10
Digital Cinema Integration Partners Pty Limited	Administration	48	48	–	–	–	–	–
Digital Cinema Integration Partners NZ Pty Limited	Administration	[a] 60	[a] 60	–	–	–	–	–
Movietimes Australia and New Zealand Pty Limited	Operator of Movietimes website	[a] 53	[a] 53	–	–	–	–	–
				146	149	(3)	3	10

Note:

(a) Digital Cinema Integration Partners NZ Pty Limited and Movietimes Australia and New Zealand Pty Limited are not consolidated as the Group does not have control.

NOTE 13 – INTERESTS IN OTHER ENTITIES (CONTINUED)

Joint operations

Details of the Group's investments in joint operations, which are accounted for on a line-by-line basis, are as follows:

Name	Principal activities	Country of operation	Ownership interest 31 Dec 2015 %	Ownership interest 30 Jun 2015 %
Australian Theatres Joint Venture	Operator of multiscreen cinema complexes	Australia	50	50
Browns Plains Multiplex Joint Venture	Operator of a multiscreen cinema complex	Australia	(a) 50	33
Castle Hill Multiplex Cinema Joint Venture	Operator of a multiscreen cinema complex	Australia	(a) 50	33
Casuarina Cinema Centre Joint Venture	Operator of a multiscreen cinema complex	Australia	50	50
Fiji Cinema Joint Venture	Operator of multiscreen cinema complexes	Fiji	(b) 66.7	(b) 66.7
Garden City Cinema Joint Venture	Operator of a multiscreen cinema complex	Australia	33	33
Geelong Cinema Joint Venture	Operator of a multiscreen cinema complex	Australia	50	50
Jam Factory Cinema Operations Joint Venture	Operator of a multiscreen cinema complex	Australia	50	50
Rialto Joint Venture	Operator of multiscreen cinema complexes	New Zealand	50	50
Toowoomba Cinema Centre Joint Venture	Operator of a multiscreen cinema complex	Australia	50	50

Note:

(a) The Group acquired an additional 17% interest in the Browns Plains Multiplex Joint Venture and the Castle Hill Multiplex Cinema Joint Venture on 29 September 2015 (see note 14).

(b) The Fiji Cinema Joint Venture is not consolidated as the Group does not have control.

Operating lease commitments of joint operations

The Group's share of future minimum operating lease rentals in respect of the above joint operations are not provided for and payable:

	31 Dec 2015 $'000	30 June 2015 $'000
Within one year	30,421	29,837
Later than one year but not later than five years	97,208	99,169
Later than five years	85,121	90,082
	212,750	219,088

NOTE 14 – ACQUISITION OF ADDITIONAL INTERESTS IN JOINT OPERATIONS

Castle Hill and Browns Plains cinema complexes

Effective 29 September 2015:

- The Greater Union Organisation Pty Limited, a wholly owned subsidiary, acquired an additional 17% interest in the Castle Hill Multiplex Cinema Joint Venture, taking the ownership interest in this leasehold site to 50%; and
- Birch, Carroll & Coyle Limited, a wholly owned subsidiary, acquired an additional 17% interest in the Browns Plains Multiplex Joint Venture, taking the Group's ownership interest in this leasehold site to 50%.

The total consideration paid for the above acquisitions was $6,926,000.

The Group has provisionally recognised the fair value of the following identifiable assets and liabilities relating to these acquisitions as follows:

	Fair value at acquisition date $'000
Plant and equipment	883
Cash and cash equivalents	175
Other assets	256
Payables	(170)
Employee entitlements	(19)
Deferred revenue	(41)
Sub-total	1,084
Leasehold and management rights	5,842
Total net value of identifiable assets	6,926

Leasehold and Management Rights

Leasehold and management rights were recognised as a result of the acquisition as follows:

	$'000
Total cash consideration paid	6,926
Less: net value of other identifiable assets and liabilities	(1,084)
Leasehold and management rights	5,842

Leasehold and management rights will be amortised over the remaining term of the respective leases for each site. Amortisation of leasehold and management rights is not expected to be deductible for income tax purposes.

The Group incurred direct costs relating to the acquisitions of $311,000 which have been expensed in the Group's income statement for the period.

The income statement includes revenue and net profit for the half year ended 31 December 2015 of $1,263,000 and $343,000 respectively as a result of these acquisitions. Had the acquisitions occurred at the beginning of the reporting period, it is estimated that the income statement would have included additional revenue and net profit of approximately $610,000 and $91,000 respectively.

NOTE 15 – BUSINESS COMBINATIONS

Business combinations in the half year ended 31 December 2015
The Group acquired the following business during the period:

Museum Art Hotel, Wellington, New Zealand
On 3 August 2015, the Group acquired the Museum Art Hotel, Wellington, New Zealand The total consideration paid for the acquisition was NZ$28,846,000 (A$26,549,000).

The Group has provisionally recognised the fair value of the following identifiable assets and liabilities relating to the acquisition as follows:

	Fair value at acquisition date $'000
Property, plant and equipment	20,755
Other assets and liabilities	318
Deferred tax liabilities	(4,381)
Total net value of identifiable assets	16,692

Goodwill
Goodwill was recognised as a result of the acquisition as follows:

	$'000
Total cash consideration paid, net of cash acquired	26,549
Less: net value of other identifiable assets and liabilities	(16,692)
Goodwill	9,857

The goodwill is attributable mainly to the trading reputation and other intangible assets which are not separately identifiable. Goodwill recognised is not expected to be deductible for income tax purposes.

The Group incurred direct costs relating to this acquisition of $96,000 which have been expensed in the Group's income statement for the period.

The income statement includes revenue and net profit for the half year ended 31 December 2015 of $6,195,000 and $1,256,000 respectively as a result of this acquisition. Had the acquisition occurred at the beginning of the reporting period, it is estimated that the income statement would have included additional revenue and net profit of approximately $1,363,000 and $276,000 respectively.

NOTE 15 – BUSINESS COMBINATIONS (CONTINUED)

Business combinations in the half year ended 31 December 2014
The Group acquired the following business during the prior comparable half year period:

Bay City Cinemas
Effective 4 December 2014, Event Cinemas Limited a wholly owned subsidiary in New Zealand, acquired two cinemas in the Bay of Plenty region. The consideration paid was $8,007,000 (NZ$8,400,000).

The Group recognised the fair value of the following identifiable assets and liabilities relating to this acquisition as follows:

	Fair value at acquisition date $'000
Plant and equipment	5,296
Other assets	118
Employee benefits	(29)
Deferred revenue	(64)
Sub-total	5,321
Goodwill, leasehold and management rights	2,686
Total net value of identifiable assets	8,007

Goodwill, leasehold and management rights
Goodwill, leasehold and management rights were recognised as a result of the acquisition as follows:

	$'000
Total cash consideration paid	8,007
Less: net value of other identifiable assets and liabilities	(5,321)
Goodwill, leasehold and management rights	2,686

Leasehold and management rights will be amortised over the remaining term of the lease for the site. Amortisation of the leasehold and management rights is not expected to be deductible for tax purposes.

The Group incurred direct costs relating to this acquisition of $87,000 which were expensed in the Group's Income Statement for the prior comparable half year period.

The Income Statement for the prior comparable half year period includes revenue and net profit for the half year ended 31 December 2014 of $418,000 and $104,000 respectively as a result of this acquisition. Had the acquisition occurred at the beginning of the prior comparable half year period, it is estimated that the Income Statement would have included additional revenue and net profit of approximately $1,813,000 and $325,000 respectively.

NOTE 16 – COMMITMENTS AND LEASES

Other than the following, there have been no material changes in commitments and leases since 30 June 2015.

	31 Dec 2015 $'000	30 June 2015 $'000
Operating lease commitments – as lessee		
Future minimum operating lease rentals not provided for and payable:		
Within one year	96,793	94,829
Later than one year but not later than five years	292,936	282,308
Later than five years	256,823	261,981
	646,552	639,118

Amounts disclosed in the table above exclude the Group's share of operating lease rentals in respect of the joint operations disclosed in Note 13.

NOTE 17 – CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There have been no material changes in contingent liabilities or contingent assets since 30 June 2015.

NOTE 18 – EVENTS SUBSEQUENT TO REPORTING DATE

Dividends
For details of the interim 2016 dividend declared after 31 December 2015 refer to Note 5.

EVENT HOSPITALITY & ENTERTAINMENT LIMITED AND ITS CONTROLLED ENTITIES
DIRECTORS' DECLARATION

In the opinion of the directors of the Company:

1. The interim consolidated financial statements and notes set out on pages 11 to 30 are in accordance with the *Corporations Act 2001*, including:

   (a) giving a true and fair view of the Group's financial position as at 31 December 2015 and of its performance for the half year ended on that date; and

   (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and

2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:

AG Rydge	**DC Seargeant**
Director	Director

Dated at Sydney this 18th day of February 2016

Independent auditor's review report to the members of Event Hospitality and Entertainment Limited

We have reviewed the accompanying half-year financial report of Event Hospitality and Entertainment Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2015, consolidated income statement and consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes 1 to 18 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity,* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Event Hospitality and Entertainment Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Event Hospitality and Entertainment Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and

(b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG

KPMG

Kenneth Reid
Partner

Sydney

18 February 2016