



25<sup>th</sup> August 2011

## ASX ANNOUNCEMENT

### SALE OF MIDDLE EAST CINEMAS LIFTS AMALGAMATED RESULT

The listed entertainment, hospitality and leisure operator Amalgamated Holdings Limited (“AHL”) today announced a net profit of \$139.8 million for the full year ended 30 June 2011, representing an increase of 41.6% over the prior year result. The net profit included \$60.3 million arising from the sale of AHL’s 49% share in the Middle East cinema operations business. Normalised profit (being profit before interest, discontinued operations, individually significant items and income tax) was \$102.1 million for the year, compared to the prior year result of \$122.0 million. The shortfall to the prior year of \$19.9 million was marginally favorable to the shortfall of \$20.7 million at the half year.

As a result of the sale of the Middle East circuit, the AHL Chairman Mr. Alan Rydge announced that in addition to maintaining the full year dividend, a special dividend of 4 cents per share would be paid. The special dividend increases the total full year dividend to 41 cents per share, compared to 37 cents last year.

In announcing the result, AHL Managing Director Mr. David Seargeant commented: “As reported at the half year, our cinema exhibition business experienced a period of relatively soft film product over the traditionally strong Christmas holiday trading period with the prior year period also including the standout success of *Avatar*. Following the holiday period, trading was further impacted by the extreme weather conditions in Queensland.” Mr. Seargeant added: “Apart from soft product, the German circuit was additionally affected by the impact of the Football World Cup earlier in the year and the negative currency movement of the Euro against the Australian dollar. All our circuits did however recover momentum in the last quarter with a very strong film line up.”

Whilst the result for the Hotels & Resorts business was flat, it did include the major affect of the refurbishment of the newly branded QT Gold Coast. After adjusting for this impact, Hotels & Resorts earnings were up 12.3% on the prior year.

Thredbo produced a very solid result on inconsistent conditions for the 2010 season with 2011 experiencing heavy early snowfalls and strong early season trading.

#### **Further information**

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