

# ECHO

ANNUAL GENERAL MEETING – FRIDAY 31 OCTOBER 2014



| T H E | S T A R |



ECHO ENTERTAINMENT GROUP LIMITED  
ACN 149 629 023

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2014 ANNUAL GENERAL MEETING – FRIDAY 31 OCTOBER 2014

JOHN O’NEILL AO - CHAIRMAN

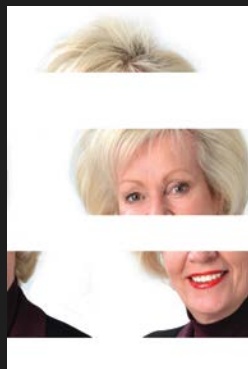
# OUR BOARD OF DIRECTORS



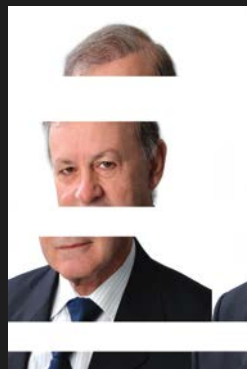
**John O'Neill  
AO**  
Chairman and  
Non Executive  
Director



**Anne Brennan**  
Deputy Chair  
and Non  
Executive  
Director



**Katie Lahey  
AM**  
Non Executive  
Director



**Richard  
Sheppard**  
Non Executive  
Director



**Gerard  
Bradley**  
Non Executive  
Director



**Sally Pitkin**  
Board  
observer  
(Non  
Executive  
Director  
subject to  
casino  
regulatory  
approvals )



**Matt Bekier**  
Managing  
Director and  
Chief  
Executive  
Officer

# ECHO'S CONTRIBUTION TO THE ECONOMY

Echo contributes significantly to the Australian, New South Wales and Queensland economies:

- Over \$380 million in gaming taxes and levies paid in FY14
- Significant ongoing investment in tourism infrastructure - \$345 million at Jupiters Gold Coast and on going investment program at The Star
- 16 million visitors to our properties in FY14
- 8,000 employees across New South Wales and Queensland

# ECHO'S COMMITMENT TO COMMUNITY

- The Star Sydney and Jupiters Gold Coast – approximately 30 years
- Treasury Brisbane – almost 20 years
- Over \$3.7 million in direct contributions to community groups, charitable organisations and sponsorships
- 64 charities and community organisations supported through the Open your Hearts program
- Long standing local charitable initiatives in place:
  - 20 years of support to Surf Life Saving Queensland
  - 12 years of support to Cerebral Palsy League Queensland

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MATT BEKIER – MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER

# JUPITERS HOTEL & CASINO AWARDS

## QUEENSLAND HOTEL ASSOCIATION (QHA)

### ANNUAL AWARDS FOR EXCELLENCE

- Best Employee (Assistant Sous Chef)
- Most Outstanding Community Service & Achievement (for an organisation with 100+ employees)
- Responsible Service – Gaming



# FY14 IN REVIEW

## FULL YEAR FINANCIAL RESULTS

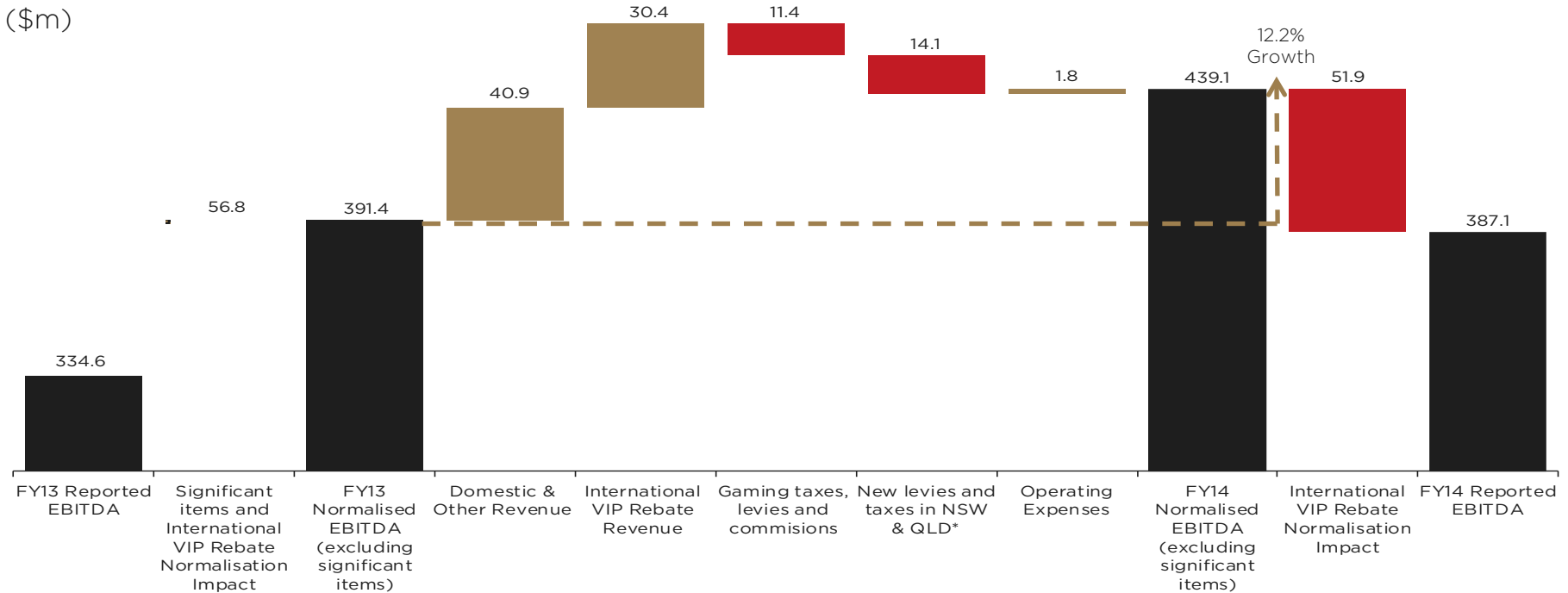
- Statutory NPAT of \$106.3 million, up 27.3% on FY13
- Normalised NPAT of \$158.2 million, up 24.6% on FY13
- Actual EBITDA of \$387.1 million, up 15.7% on FY13  
(includes Government levies of \$14.1 million in NSW and QLD)
- Normalised EBITDA of \$439.1 million, up 12.2% on FY13
- Actual gross revenue of \$1,897.4 million, up 2.7% on FY13
- Normalised gross revenue of \$1,973.1m, up 3.8% on FY13
- Earnings Per Share up 27.7% on FY13
- Total dividends declared (fully franked) of 8 cents per share (62% of statutory NPAT or 54% of statutory NPAT excluding significant items), up 33% per share from FY13



# FY14 IN REVIEW

## KEY DRIVERS OF RESULTS

(\$m)



\* New levies and taxes in NSW & QLD relate to the ILGA Supervisory Levy in NSW (\$6.8m) and the Special Gaming Levy in Queensland (\$7.3m)

# ECHO ENTERTAINMENT GROUP LIMITED

## THREE YEAR FINANCIAL RESULTS SUMMARY

Reported Results	FY2012	FY2013		FY2014	
	\$millions	\$millions	% change	\$millions	% change
Statutory Revenue	\$1,615.5	\$1,737.9	↑ 7.6%	\$1,805.7	↑ 3.9%
EBITDA	\$265.9	\$334.6	↑ 25.8%	\$387.1	↑ 15.7%
EBIT	\$143.8	\$188.6	↑ 31.2%	\$241.5	↑ 28%
NPAT	\$42.2	\$83.5	↑ 97.9%	\$106.3	↑ 27.3%
NPAT before significant items	\$94.1	\$110.3	↑ 17.2%	\$121.8	↑ 10%
Significant items (pre-tax)	\$74.1	\$38.3	↓ 48.3%	\$22.2	↓ 42%
Earnings Per Share	5.9 cents	10.1 cents	↑ 71.2%	12.9 cents	↑ 27.7%
Full year dividend (fully franked, cents per share)	4 cents	6 cents	↑ 50%	8 cents	↑ 33.3%

# FY14 KEY ACHIEVEMENTS

In FY14, we leveraged from the foundations built in FY13 to prepare the business for improved financial performance in the future.

- Solid, stable and experienced leadership to strengthen our operational capabilities in target areas
- Single casino management system and loyalty program system across all casino complexes
- Expanded interstate and international sales teams to grow domestic and international tourism traffic
- Completion of sale of Jupiters Townsville for \$70 million on 1 October 2014
- Completed plans and commenced the refresh and expansion of Jupiters Gold Coast

# JUPITERS GOLD COAST DEVELOPMENT UPDATE

## **REFRESH EXISTING SITE**

- Upgrade 592 existing hotel rooms – 2014-2015
- Creating a new poolside experience – open November
- Painting the exterior of the existing hotel and casino structures – underway
- New restaurants and bars – opening from December

## **CONSTRUCTION OF 6 STAR HOTEL & VIP GAMING FACILITIES**

- Plans to commence work after the Christmas period and be concluded by 2017

# TRADING UPDATE AND 1H FY15 GUIDANCE (UNAUDITED) TO 27 OCTOBER 2014

- Market announcement – 30 October 2014
- Expected normalised EBITDA for 1H FY15 within the range of \$245m - \$260m
  - increase of between 23% - 31% on pcp on a like for like basis
- Normalised gross revenues of \$762m up 27% for the group
  - 36% at The Star and 8% in Queensland
- Record period for International VIP Rebate volumes
  - actual turnover \$16bn
  - normalised gross revenues \$231m (up 78% on pcp)
- Overall good customer demand being experienced across all properties

**Note:**

Normalised results reflect the underlying performance of the business as they remove the inherent volatility of the International VIP Rebate business. Normalised results are adjusted using an average win rate of 1.43% of actual turnover. FY14 normalised results have been restated to a win rate of 1.43% to reflect a consistent win rate between periods

See ASX Announcement of 30 October 2014 for full details

# PRIORITIES FOR THE NEXT 12 MONTHS

1. Drive operating performance
2. Deliver on the Jupiters Gold Coast expansion
3. Queen's Wharf Brisbane development proposal – with partners Chow Tai Fook and Far East Consortium

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*Thank you for joining us today*

# ECHO ENTERTAINMENT GROUP

## ECHO ENTERTAINMENT GROUP LIMITED (ASX: EGP)

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- Echo Entertainment Group results are reported under International Financial Reporting Standards (IFRS). This presentation may include certain non-IFRS measures including normalised results, which are used internally by management to assess the performance of the business
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