

13 May 2016

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**RE: SKYCITY ENTERTAINMENT GROUP LIMITED (SKC)
COMPLETION OF INSTITUTIONAL ENTITLEMENT OFFER**

Please find **attached** an announcement in relation to the successful completion of the institutional component of the company's recently announced 1 for 10 fully underwritten pro-rata accelerated entitlement offer.

Yours faithfully



Peter Treacy
Company Secretary

Not for release or distribution in the United States

MARKET RELEASE

13 May 2016

**Successful completion of the institutional component of
SKYCITY's 1 for 10 fully underwritten pro-rata accelerated
entitlement offer – 90% take-up by eligible institutional shareholders**

SKYCITY Entertainment Group Limited (**SKYCITY**) is pleased to advise that it has successfully completed the institutional entitlement offer component (**Institutional Entitlement Offer**) of its fully underwritten 1 for 10 pro-rata accelerated entitlement offer (**Offer**) of new fully paid ordinary shares in SKYCITY (**New Shares**) announced on 11 May 2016. A total of approximately NZ\$263 million will be raised under the Offer.

The Institutional Entitlement Offer closed on Thursday 12 May 2016 and raised gross proceeds of approximately NZ\$161 million - receiving strong support from SKYCITY's existing institutional shareholders with eligible institutional shareholders electing to take up 90% of their entitlements under the Institutional Entitlement Offer.

The New Shares taken up by eligible institutional shareholders under the Institutional Entitlement Offer are expected to be allotted and commence trading on NZX on Thursday 19 May 2016 and will rank equally with existing fully paid ordinary shares of SKYCITY (**Shares**).

Institutional bookbuild

As a result of the strong support provided by eligible institutional shareholders in the Institutional Entitlement Offer, only a small number of New Shares are available for the institutional bookbuild component of the Offer, which will be conducted today, Friday 13 May 2016.

Retail entitlement offer

The retail component of the Offer (**Retail Entitlement Offer**) will open at 10.00am (NZ time) on Tuesday 17 May 2016 and close at 7.00pm (NZ time) on Thursday 2 June 2016.

Eligible retail shareholders with registered addresses in New Zealand or Australia will be able to subscribe for 1 New Share for every 10 Shares held on the Record Date, being 9.00pm (NZ time) on Monday 16 May 2016, at the same application price as the Institutional Entitlement Offer of NZ\$4.40 per New Share (or A\$4.05 per New Share for Eligible Australian Retail Shareholders).

An Offer document (**Offer Document**) (accompanied by a personalised entitlement and acceptance form) will be sent to Eligible Retail Shareholders on Tuesday 17 May 2016 and is available on the website established for the Offer at <http://www.skycityshareoffer.co.nz>.

Eligible Retail Shareholders wishing to acquire New Shares under the Retail Entitlement Offer will need to complete their personalised entitlement and acceptance form or complete an online application (via the website noted above).

Eligible Retail Shareholders may choose to take up their entitlements in whole, in part or not at all.

New Shares not taken up by Eligible Retail Shareholders under the Retail Entitlement Offer, and those which would otherwise have been offered to Ineligible Retail Shareholders, will be offered for subscription to selected Institutional Investors through a Retail Bookbuild scheduled for Tuesday 7 June 2016.

Retail Shareholders who do not take up their entitlements under the Retail Entitlement Offer or who are ineligible to participate in the Retail Entitlement Offer will receive a pro-rata share of any positive difference between the retail bookbuild price and the application price for New Shares under the Offer of NZ\$4.40 per New Share. However, there is no guarantee that any value will be received from the Retail Bookbuild by Eligible Retail Shareholders who do not take up their full entitlement or Ineligible Retail Shareholders.

Further information

Shareholders who have any questions about the Offer are encouraged to read the Offer Document and seek financial, investment or other professional advice from a qualified professional adviser.

SKYCITY's Shares will continue in trading halt on NZX and ASX until an announcement containing the results of the Institutional Bookbuild is made, which is expected to occur on Monday 16 May 2016.

For more information on the content of this announcement please contact:

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Note: All capitalised terms used in this announcement have the meanings given in Part 6: Glossary of SKYCITY's Offer Document dated 11 May 2016.

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Any securities described in this announcement have not been, and will not be, registered in the United States under the US Securities Act of 1933 and may not be offered or sold in the United States, except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable to US state securities law.