SKYCITY Entertainment Group Limited
Federal House 86 Federal Street
PO Box 6443 Wellesley Street
Auckland New Zealand
Telephone +64 (0)9 363 6141
Facsimile +64 (0)9 363 6140
www.skycitygroup.co.nz

15 August 2012

Listed Company Relations
NZX Limited
Level 2, NZX Centre
11 Cable Street
WELLINGTON

Dear Sir/Madam

RE : SKYCITY ENTERTAINMENT GROUP LIMITED – SKC
ANNUAL RESULT (FOR THE YEAR ENDED 30 JUNE 2012)

We supply herewith the financial information as required by Listing Rule 10.4 together with a copy of the company's FY12 Full Year Result presentation and the SKYCITY Entertainment Group Limited financial statements for the year ended 30 June 2012.

Please find attached:

1. Appendix 1 (Rule 10.4.2) detailing the Preliminary Announcement for the year ended 30 June 2012.

2. FY12 Full Year Result presentation for the year ended 30 June 2012.

3. Appendix 7 (NZX Listing Rule 7.12.2) detailing the final distribution of NZ$0.08 cents per ordinary share to be paid on 5 October 2012 to those shareholders on the company's share register as at 5.00pm on 28 September 2012.

4. Audited financial statements and notes for the year ended 30 June 2012.

5. Media releases.

Yours faithfully

James Burrell
Chief Financial Officer

SKYCITY Entertainment Group Limited	
Results for announcement to the market	
Reporting Period	1 July 2011 to 30 June 2012
Previous Reporting Period	1 July 2010 to 30 June 2011

Normalised	Amount (000s)	Percentage change
Normalised revenue including gaming GST from ordinary activities	NZ$950,767	8.4%
Normalised revenue from ordinary activities	NZ$867,188	8.2%
Normalised profit (loss) from ordinary activities after tax attributable to security holder	NZ$141,413	8.0%
Normalised net profit (loss) attributable to security holders	NZ$141,413	8.0%

Reported	Amount (000s)	Percentage change
Reported revenue including gaming GST from ordinary activities	NZ$941,180	6.1%
Reported revenue from ordinary activities	NZ$858,905	6.0%
Reported profit (loss) from ordinary activities after tax attributable to security holder	NZ$138,534	12.6%
Reported net profit (loss) attributable to security holders	NZ$138,534	12.6%

Note: Normalised results adjust for non-recurring items and setting International Business win to theoretical win rate of 1.35%.

Final Dividend	Amount per security	Imputed amount per security
	NZ$0.08	$0.018667

Record Date	28 September 2012
Payment Date	5 October 2012

Comments:	SKYCITY's FY12 performance is set out in the Company's Result Presentation which is attached to this announcement. It provides detail and explanatory comment on operating and financial performance for each business unit and the Group as a whole and various other relevant aspects of the financial performance for the year ended 30 June 2012. The Result Presentation will be available on the Company's website from 15 August 2012.

NTA Backing

	2012	2011
Net tangible asset backing per ordinary share	69.1¢	63.2¢

Auditors

This report is based on accounts that have been audited. The audit report is provided with the accounts which accompany this announcement.

Discontinued Operations

None.

Dividends

60% of the October 2012 dividend will be imputed at the company's tax rate of 28% and 60% franked for Australian purposes.

SKYCITY Entertainment Group Limited

Full Year Result Presentation

Twelve month period ended 30 June 2012

15 August 2012

SKYCITY Result FY12

FY12 Result Summary	2
FY12 Highlights	14
Strategic Growth Projects	29
Focus for FY13	36
Appendices	38

FY12 Result Summary

FY12 Result Highlights

	FY12	FY11	Movement	
	$m	$m	$m	%
Normalised Revenue (incl Gaming GST)	950.7	877.0	73.7	8.4%
Normalised EBITDA	310.6	290.9	19.7	6.8%
Normalised NPAT	141.4	130.9	10.5	8.0%
Normalised EPS	*24.5 cps*	*22.7 cps*	*1.8 cps*	*8.0%*
Reported Revenue (incl Gaming GST)	941.1	887.1	54.0	6.1%
Reported EBITDA	300.5	294.3	6.2	2.1%
Reported NPAT	138.5	123.0	15.5	12.6%
Reported EPS	*24.0 cps*	*21.4 cps*	*2.6 cps*	*12.6%*
Dividend	17.0 cps	16.0 cps	1.0cps	6.3%

- *The difference between Normalised and Reported can be seen on page 40*

FY12 Result Highlights

- **Strong result, with Normalised NPAT of $141.4m +8.0% on FY11**
  - Group Normalised Revenue and EBITDA of $950.7m (+8.4%) and $310.6m (+6.8%) respectively
  - Rugby World Cup 2011 a one-off boost to Revenue of $11.5m, EBITDA of $6.5m and NPAT of $4.7m
    - excluding RWC, FY12 Group Normalised Revenue $939.2m, up 7.1% on FY11
  - Reported NPAT $138.5m, up $15.5m (+12.6%), also a strong result for the Group
- **Momentum continues in core business**
  - Flagship Auckland Normalised Revenues of $527.4m, up $66.2m (+14.4%) (+12%, ex-RWC)
  - Momentum continues following the opening of "Horizon", "Eight", Diamond Room and Federal St F&B
  - Auckland Gaming Machines FY12 Revenue growth of 10%, demonstrates success of private gaming areas
  - Darwin returned to growth in 2H12 and outlook is positive for FY13 and beyond
  - Hamilton had a strong year and will benefit from further planned investment in hotel
- **International Business showing excellent growth**
  - New "Horizon" VIP facilities in Auckland increased Normalised Revenues to $50.7m, up $24.7m (+95%)
  - Actual IB win rate of only 1.13% in FY12, lower than theoretical 1.35%
  - Anticipating good growth from Darwin in FY13, where two new "Horizon" suites opened 3 August

FY12 Result Highlights

- **Strong balance sheet with Net Debt : EBITDA of 2.1 times and $340m committed, undrawn facilities**
  - Repaid $250m USPP in March 2012 from existing bank facilities
  - No debt repayments due until 2H15. Ample headroom on banking covenants
  - In May 2012, Standard & Poor's reaffirmed Investment Grade rating (BBB-), Stable outlook
  - Strong cash generation along with current and future debt provide capacity to fund major expansions
- **Focused and prudent capital investment**
  - In FY12, c.$165m was spent in capex across the Group, mostly comprising:
    - completion of the Auckland property capex on differentiated gaming and new F&B ($32m)
    - Darwin's Lagoon Resort and VIP Gaming villas, which opened on 27th July ($32m)
    - Bally Gaming system implementation across Auckland and Adelaide ($10m)
    - maintenance capex spend across the Group ($52m)
    - acquisition of land potentially for NZICC adjacent to Auckland site ($32m)
- **Interest, Tax and Depreciation**
  - The average FY12 cost of funding of 7.15% improved in 2H12 once $250m USPP was replaced by bank debt (2H12 average cost of funding 7.00%)
  - Depreciation increase due to the recent capital expenditure programme
  - Average tax rate of 25.3%

FY12 Group Result
NORMALISED Revenues and Earnings

Normalised	FY12 $m	FY11 $m	Movement $m	Movement %
Revenue (including Gaming GST)	**950.7**	877.0	73.7	8.4%
Gaming GST	**83.5**	75.2	(8.3)	(11.0%)
Revenue	**867.2**	**801.8**	**65.4**	**8.2%**
Expenses	**556.6**	510.9	(45.7)	(8.9%)
EBITDA	**310.6**	**290.9**	**19.7**	**6.8%**
Depreciation and Amortisation	**72.4**	68.5	(3.9)	(5.7%)
EBIT	**238.2**	**222.4**	**15.8**	**7.1%**
Interest Cost	**48.4**	45.4	(3.0)	(6.6%)
Net Profit Before Tax	**189.8**	**177.0**	**12.8**	**7.2%**
Tax and Minority Interest	**48.4**	46.1	(2.3)	(5.0%)
Normalised NPAT	**141.4**	**130.9**	**10.5**	**8.0%**

- *Revenue (including Gaming GST) is shown above to facilitate Australasian comparisons. It also facilitates period on period comparisons given the GST rate increase in New Zealand on 1 October 2010 from 12.5% to 15%*
- *Normalised NPAT adjusts for non-recurring items and International Business (IB) at theoretical win rate of 1.35% versus actual 1.13% in FY12 (FY11: 1.72%)*

SKYCITY ENTERTAINMENT GROUP

FY12 Group Result
REPORTED Revenues and Earnings

Reported	FY12 $m	FY11 $m	Movement $m	Movement %
Revenue (including Gaming GST)	**941.1**	887.1	54.0	6.1%
Gaming GST	**82.2**	76.7	(5.5)	(7.2%)
Revenue	**858.9**	**810.4**	**48.5**	**6.0%**
Expenses	**558.4**	516.1	(42.3)	(8.2%)
EBITDA	**300.5**	**294.3**	**6.2**	**2.1%**
Depreciation and Amortisation	**72.8**	69.7	(3.1)	(4.4%)
EBIT	**227.7**	**224.6**	**3.1**	**1.4%**
Interest Cost	**48.9**	43.8	(5.1)	(11.6%)
Net Profit Before Tax	**178.8**	**180.8**	**(2.0)**	**(1.1%)**
Tax and Minority Interest	**40.3**	48.2	7.9	16.4%
Write Down of Christchurch	**-**	**(15.0)**	**15.0**	
One-Off Deferred Tax Adjustment	**-**	**5.4**	**(5.4)**	
Reported NPAT	**138.5**	**123.0**	**15.5**	**12.6%**

- *Revenue (including Gaming GST) is shown above to facilitate Australasian comparisons. It also facilitates period on period comparisons given the GST rate increase in New Zealand on 1 October 2010 from 12.5% to 15%*
- *Normalised NPAT adjusts for non-recurring items and International Business (IB) at theoretical win rate of 1.35% versus actual 1.13% in FY12 (FY11: 1.72%)*

SKYCITY ENTERTAINMENT GROUP

FY12 Revenue Summary by Business Unit
(incl Gaming GST)

		FY12 $m	FY11 $m	Movement $m	Movement %
New Zealand Casinos					
▪ Auckland		**527.4**	461.2	66.2	14.4%
▪ Hamilton		**52.1**	47.9	4.2	8.8%
▪ Christchurch		**5.6**	6.2	(0.6)	(9.7%)
▪ Queenstown, Other		**8.7**	8.4	0.3	3.6%
Total New Zealand		**593.8**	**523.7**	**70.1**	**13.4%**
Australian Casinos					
▪ Adelaide	(A$)	**160.8**	156.8	4.0	2.6%
▪ Darwin	(A$)	**117.9**	113.6	4.3	3.8%
Total Australia	(A$)	**278.7**	**270.4**	**8.3**	**3.1%**
Total Australia	(NZ$)	**356.9**	**353.3**	**3.6**	**1.0%**
Casino Revenues incl Normalised IB (incl Gaming GST)		**950.7**	**877.0**	**73.7**	**8.4%**
Adjust International Business to actual win rate		**(9.6)**	10.1	(19.7)	
Reported Revenue incl Actual IB (incl Gaming GST)		**941.1**	**887.1**	**54.0**	**6.1%**

- *Revenue (including Gaming GST) is shown above to facilitate Australasian comparisons. It also facilitates period on period comparisons given the GST rate change in New Zealand on 1 October 2010*
- *Normalised Revenue is adjusted for IB at theoretical win rate of 1.35%, versus actual 1.13% in FY12 (FY11: 1.72%)*
- *Average NZD/AUD cross-rate during FY12 0.7813 and FY11 0.7668*

SKYCITY ENTERTAINMENT GROUP

FY12 EBITDA Summary by Business Unit

		FY12 $m	FY11 $m	Movement $m	Movement %
New Zealand Casinos					
▪ Auckland		**217.9**	196.9	21.0	10.7%
▪ Hamilton		**21.8**	20.2	1.6	7.9%
▪ Christchurch		**5.6**	6.2	(0.6)	(9.7%)
▪ Queenstown, Other		**1.3**	1.1	0.2	18.2%
Total New Zealand		**246.6**	**224.4**	**22.2**	**9.9%**
Australian Casinos					
▪ Adelaide	(A$)	**36.7**	36.0	0.7	1.9%
▪ Darwin	(A$)	**34.7**	34.3	0.4	1.2%
Total Australia	(A$)	**71.4**	**70.3**	**1.1**	**1.6%**
Total Australia	(NZ$)	**91.4**	**91.6**	**(0.2)**	**(0.2%)**
Corporate Costs		**(27.4)**	**(25.1)**	(2.3)	(9.2%)
Normalised EBITDA		**310.6**	**290.9**	**19.7**	**6.8%**
Non-recurring items		**(4.3)**	(4.3)	0.0	
International Business to actual win rate		**(5.8)**	7.7	(13.5)	
Reported EBITDA		**300.5**	**294.3**	**6.2**	**2.1%**

- *Normalised EBITDA is adjusted for non-recurring items (NRI) and IB at theoretical*
- *Average NZD/AUD cross-rate during FY12 0.7813 and FY11 0.7668*

SKYCITY ENTERTAINMENT GROUP

2H12 Result Highlights

- **Growth in 2H12, with Normalised EBITDA of $145.1m on 2H11 (+4.0%)**
  - Group Normalised 2H12 Revenue and EBITDA of $461.7m (+7.4%) and $145.1m (+4.0%) respectively
  - Reported Revenues of $447.1m reflect a low hold of only 0.81% in IB in 2H12 (Revenue impact of -$15m)
- **Momentum continues in NZ, with 2H12 Normalised Revenue growth of $33.9m on 2H11 (+13.1%)**
  - The capex investment in "Eight" and Diamond Room grew Auckland local gaming revenues by $7m (+4.5%)
    - disruption around Bally implementation and Premier Rewards re-launch impacted 2H12
  - Federal Street outlets performed strongly, as Auckland 2H12 F&B Revenues increased $4.5m (+26%)
  - Following the capex on "Horizon" in Auckland, International Business from Asia to NZ has flourished
- **Auckland's IB has shown excellent growth in 2H12, with Normalised Revenues of $32m, up $21m (+187%)**
  - The "Horizon" suites and gaming salons are proving highly popular with international players
  - Auckland IB Normalised Revenue has trebled in the last 3 years, from $16m (FY10) to $51m (FY12)
- **Macro economic challenges and weaker Australian currency negatively impacted Australian 2H12 results**
  - Australian Normalised Revenue was up in A$ terms by 2%, but down in NZ$ by 1%, due to A$/NZ$
  - Adelaide was impacted by weaker consumer sentiment in 2H12, with A$ Normalised Revenue down 2%
  - Darwin returned to growth in 2H12, increasing A$ Normalised Revenue by $4m (+8%)

2H12 Revenue Summary by Business Unit
(incl Gaming GST)

		2H12 $m	2H11 $m	Movement $m	Movement %
New Zealand Casinos					
▪ Auckland		**258.5**	226.1	32.4	14.3%
▪ Hamilton		**25.6**	24.6	1.0	4.1%
▪ Christchurch		**3.1**	2.9	0.2	6.9%
▪ Queenstown, Other		**4.6**	4.3	0.3	7.0%
Total New Zealand		**291.8**	**257.9**	**33.9**	**13.1%**
Australian Casinos					
▪ Adelaide	(A$)	**78.2**	79.5	(1.3)	(1.6%)
▪ Darwin	(A$)	**54.3**	50.1	4.2	8.4%
Total Australia	(A$)	**132.5**	**129.6**	**2.9**	**2.2%**
Total Australia	(NZ$)	**169.9**	**172.0**	**(2.1)**	**(1.2%)**
Casino Revenues incl Normalised IB (incl Gaming GST)		**461.7**	**429.9**	**31.8**	**7.4%**
Adjust International Business to actual win rate		**(14.6)**	9.5	(24.1)	
Reported Revenue incl Actual IB (incl Gaming GST)		**447.1**	**439.4**	**7.7**	**1.8%**

- *Revenue (including Gaming GST) is shown above to facilitate Australasian comparisons. It also facilitates period on period comparisons given the GST rate change in New Zealand on 1 October 2010*
- *Normalised Revenue is adjusted for IB at theoretical win rate of 1.35% versus actual 2H12 of 0.81% (2H11: 2.08%)*
- *Average NZD/AUD cross-rate during 2H12 0.7792 and 2H11 0.7541*

2H12 EBITDA Summary by Business Unit

		2H12 $m	2H11 $m	Movement $m	Movement %
New Zealand Casinos					
▪ Auckland		**103.5**	95.9	7.6	7.9%
▪ Hamilton		**10.8**	10.2	0.6	5.9%
▪ Christchurch		**3.1**	2.9	0.2	6.9%
▪ Queenstown, Other		**0.8**	0.7	0.1	14.3%
Total New Zealand		**118.2**	**109.7**	**8.5**	**7.7%**
Australian Casinos					
▪ Adelaide	(A$)	**17.5**	19.0	(1.5)	(7.9%)
▪ Darwin	(A$)	**13.9**	13.6	0.3	2.2%
Total Australia	(A$)	**31.4**	**32.6**	**(1.2)**	**(3.7%)**
Total Australia	(NZ$)	**40.4**	**42.9**	**(2.5)**	**(5.8%)**
Corporate Costs		**(13.5)**	(13.1)	(0.4)	(3.1%)
Normalised EBITDA		**145.1**	**139.5**	**5.6**	**4.0%**
Non-recurring items		**(3.5)**	(3.4)	(0.1)	
International Business to actual win rate		**(9.3)**	7.3	(16.6)	
Reported EBITDA		**132.3**	**143.4**	**(11.1)**	**(7.7%)**

▪ *Normalised EBITDA is adjusted for non-recurring items (NRI) and IB at theoretical*
▪ *Average NZD/AUD cross-rate during 2H12 0.7792 and 2H11 0.7541*

SKYCITY ENTERTAINMENT GROUP

Full Year Dividend of 8.0 cents per share

Final dividend of 8.0 cents per share, taking full year dividend to 17.0 cents per share

- Payout at the top end of policy range of 60% - 70% of NPAT
- 60% imputed at the company's 28% tax rate in New Zealand
- 60% franked for Australian purposes
- Payment date 5 October 2012 (entitlement/record date 28 September 2012)
- Final dividend represents an annual gross dividend yield of 5.9% based on the current share price of $3.58
- SKYCITY will not apply the Dividend Reinvestment Plan to the dividend

SKYCITY ENTERTAINMENT GROUP

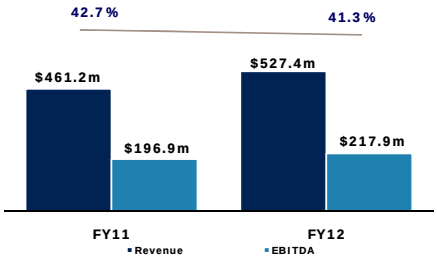
SKYCITY ENTERTAINMENT GROUP

FY12 Highlights

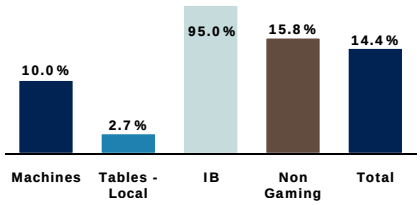
SKYCITY Auckland FY12

- Revenues (inclusive of GST) up $66.2m or 14.4% on pcp
- Gaming machines continues strong revenue growth, +10.0%, reflecting our investment in new VIP rooms
- FY12 local table games revenue showed growth of 2.7%
  - due largely to the opening of "Eight", local table games drop increased by 10.6% in FY12
  - however, revenue was negatively impacted by hold of 19.1% (FY11 hold was 20.6%)
- 95% growth in IB revenue, due to opening of "Horizon" gaming salons and suites in 1H12
- Significant growth in non-gaming (15.8%) driven by RWC hotel bookings in 1H12 and F&B revenues from new outlets
  - Grand Hotel: revenue up 29%. Occupancy of 88%
  - SKYCITY Hotel: revenue up 27%. Occupancy of 94%
- RWC 2011 Revenue and EBITDA of $10.7m and $6.0m, mostly in hotels
- The new 'Bally' gaming system launched in late Q4-12, to further improve the customer gaming experience

Revenue, EBITDA and Margin



Revenue Growth by Type (v pcp)



- *Gaming revenue figures as shown in the charts on this page are gaming win (inclusive GST). This facilitates Australasian comparisons. It also facilitates period on period comparisons given the GST rate change in New Zealand on 1 October 2010*
- *Non gaming revenues are net of GST*
- *Total revenues as shown are gaming win plus non-gaming revenues*
- *EBITDA margin is calculated as a % of gaming win (GST inclusive) plus non-gaming revenue - to facilitate Australasian and period on period comparisons*

SKYCITY ENTERTAINMENT GROUP

NZ Restaurant of the Year – The Grill

Cuisine
NZ RESTAURANT OF THE YEAR 2012
IN ASSOCIATION WITH Vittoria Coffee

SKYCITY ENTERTAINMENT GROUP

Supreme Winner - Depot

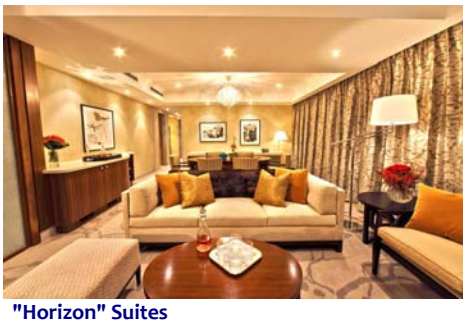
Cuisine Magazine
August 2012

Metro Magazine
May 2012

SKYCITY ENTERTAINMENT GROUP

Federal St welcomes Nic Watt

New gaming openings in 2012


"Horizon" Suites

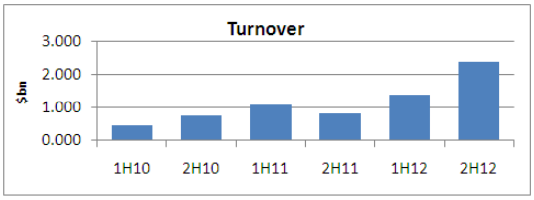
"Horizon" VIP Gaming

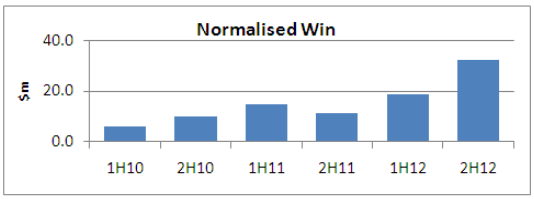
Diamond Gaming Lounge

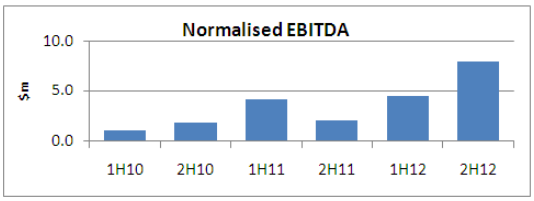
"Eight" VIP Gaming Lounge

Auckland Highlights - International Business

- Following the successful launch of "Horizon", IB has increased significantly since FY10:
  - Turnover has increased from $1.2bn to $3.8bn
  - Normalised Revenue has trebled from $16m to $51m
- The four "Horizon" private gaming salons and seven suites have proven to be highly popular with international, mostly Asian / Chinese customers
- We have expanded our sales network in Asia to maintain growth in FY13 and beyond
- However, this growth has been managed conservatively:
  - customer receivables are current, with no bad debts in FY12

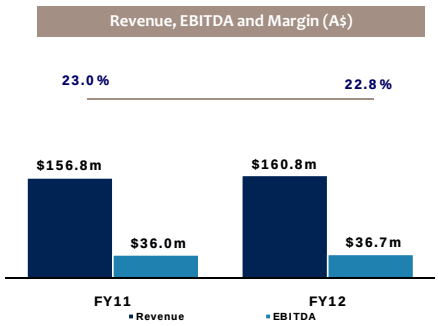


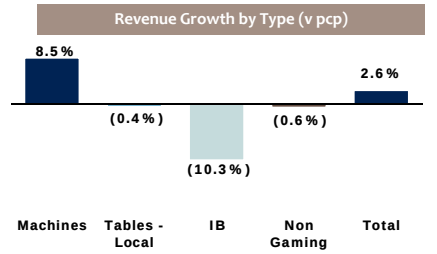




Adelaide Casino FY12

- EGMs achieved growth in Win and Market Share results
  - Revenue growth of 8.5% was pleasing, given the market environment
  - growth in share to 8%+ of total SA EGM market
- Local Table Gaming
  - despite growth in 1H12, domestic consumer softness in 2H12 reduced FY12 to flat year on year
    - visit frequency held, but spend per visit down
    - Drop was up 4% in FY12, but a lower win rate than FY11 led to slightly reduced revenues
- IB volume slightly down in a competitive market
- Non-gaming revenues impacted by lower bar trade throughout the year and a strong prior year July 2010 (FY11) with Soccer World Cup
- Expenses impacted by:
  - increased marketing costs to drive visitation and spend
  - increase in utility costs and insurance
  - additional costs of operating our Valet service

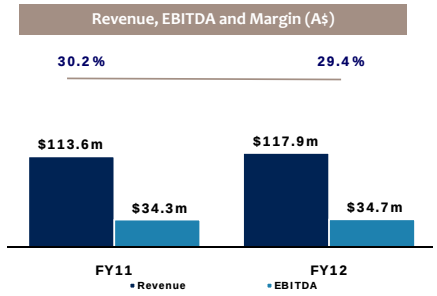


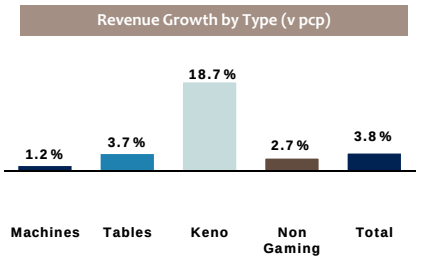


- *Gaming revenue figures as shown in the charts on this page are gaming win (inclusive GST). This facilitates Australasian comparisons*
- *Non gaming revenues are net of GST*
- *Total revenues as shown are gaming win plus non-gaming revenues*
- *EBITDA margin is calculated as a % of gaming win (GST inclusive) plus non-gaming revenue - to facilitate Australasian comparisons*

SKYCITY Darwin FY12

- Total FY12 Revenue up 3.8%, reflecting an improved performance in 2H12
- Gaming Machine revenues up 1.2% on FY11 with solid 2H12 revenues that eliminated the flat 1H12 result
  - new product and marketing promotions have influenced the turnaround
- A change in operating hours and the revitalisation of the gaming floor layout has seen local Table Games revenue grow 9.2% on FY11 (Revenue +3.7% including IB)
- A record $2+m 10-spot Keno jackpot has created a lot of interest in the NT Keno product and dedicated marketing efforts have helped increase Keno revenues 18.7% on FY11
- Non-gaming revenues grew by 2.7% on FY11:
  - two restaurant refurbishments, revised menus, increased offerings and new events helped drive F&B
  - Hotel revenues were consistent with FY11 despite the interrupted start to FY12 with Tropical Resort construction works
- Normalised EBITDA of $34.7m is up 1.2% on FY11 despite flat local economy where community gaming is experiencing difficulties





- *Gaming revenue figures as shown in the charts on this page are gaming win (inclusive GST). This facilitates Australasian comparisons*
- *Non gaming revenues are net of GST*
- *Total revenues as shown are gaming win plus non-gaming revenues*
- *EBITDA margin is calculated as a % of gaming win (GST inclusive) plus non-gaming revenue - to facilitate Australasian comparisons*

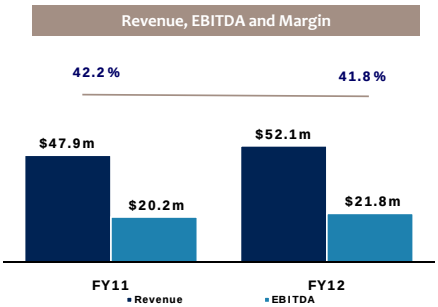
Darwin Highlights – Lagoon Resort open

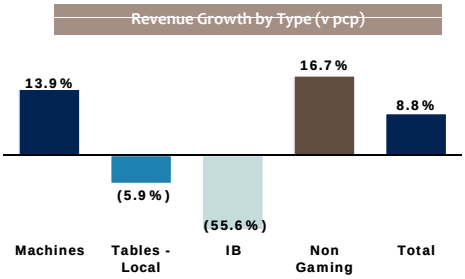
- The exciting new Lagoon Resort, comprising 32 rooms, two international VIP Villas and gaming salons, day spa, bar and restaurant has now opened on time and on budget
- This complements the existing 120 room hotel and underpins SKYCITY Darwin's position as the leading integrated resort in Northern Australia
- SKYCITY Darwin represents a significant opportunity for growth, given the proximity to gaming demand in South East Asia and we are already seeing encouraging interest in the new facilities
- The upside in Darwin's economy from major investments such as the $32 billion Inpex Ichthys LNG project, gives us confidence that our Darwin property offers attractive prospects

Darwin Highlights – Lagoon Resort open

SKYCITY Hamilton FY12

- Strong overall revenue growth of 8.8% in FY12, driven by EGM performance and improvement in F&B
- Hamilton's ongoing successful growth is a product of focused marketing, capital investment and strengthening community relationships
- Gaming machine revenue growth a particular highlight, up 13.9%. Driven by new machines, improved layout and main gaming floor refurbishment
- Table games drop improved 5% in FY12, but revenues are down 6% due to a lower hold %
- EBITDA up 8% on FY11, with consistent EBITDA margin around 42%, showing good cost control
- RWC 2011 Revenue and EBITDA of $0.8m and $0.5m respectively
  - excluding RWC impact, underlying Revenue and EBITDA growth still of 7.1% and 5.4% respectively





- *Gaming revenue figures as shown in the charts on this page are gaming win (inclusive GST). This facilitates Australasian comparisons. It also facilitates period on period comparisons given the GST rate change in New Zealand on 1 October 2010*
- *Non gaming revenues are net of GST*
- *Total revenues as shown are gaming win plus non-gaming revenues*
- *EBITDA margin is calculated as a % of gaming win (GST inclusive) plus non-gaming revenue - to facilitate Australasian and period on period comparisons*

SKYCITY Queenstown & Christchurch Casino

Christchurch Casino

- Our Christchurch Casino Joint Venture with Skyline continues to be challenged by a difficult operating environment
- Following the recent release of the Christchurch Central Recovery Plan, there is now further clarity around the rebuild of the city, with the planned convention centre and other civic buildings within the proximity of the Casino

	FY12	FY11	% Movement
Contribution	$5.6m	$6.2m	(9.7%)

Queenstown Casino

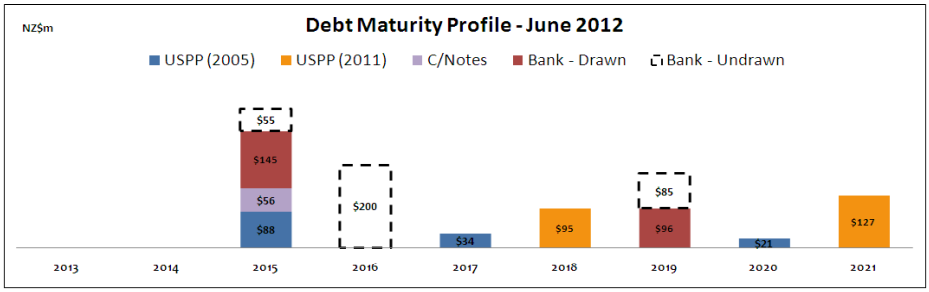
- Strong performance was shown in FY12, with Revenue up 12% to $9m and EBITDA up 50% to $1.5m
- Performance driven by strong gaming revenues and effective cost management resulting in an improved EBITDA margin for the year
- There was increased visitation from Asian groups who enjoy visiting the Queenstown area
- Highest EBITDA since the opening of the Queenstown Casino

	FY12	FY11	% Movement
Revenue (inc GST)	$8.6m	$7.7m	11.7%
EBITDA	$1.5m	$1.0m	50.0%
EBITDA %	*17.4%*	*13.0%*	

- *Gaming revenue figures as shown in the charts on this page are gaming win (inclusive GST). This facilitates Australasian comparisons. It also facilitates period on period comparisons given the GST rate change in New Zealand on 1 October 2010*
- *Non gaming revenues are net of GST*
- *Total revenues as shown are gaming win plus non-gaming revenues*
- *EBITDA margin is calculated as a % of gaming win (GST inclusive) plus non-gaming revenue - to facilitate Australasian and period on period comparisons*

Well Funded for Future Growth

- Following repayment of $250m USPP debt in March 2012, net debt at 30 June 2012 is $659m
- There is no debt maturing until 2H15
- Current facilities offer a combination of flexible, lower cost bank debt, with longer term USPP
- SKYCITY Capital Notes comprise $56m issued on the NZX and a further $94m in Treasury Stock
- In May 2012, Standard & Poor's reaffirmed our Investment Grade BBB- rating, Stable Outlook
- Confident about our ability to fund future development projects:
  - June 2012 Net Debt : Normalised EBITDA of only 2.1 times
  - $340m committed undrawn facilities (excl. $94m Treasury Stock), in addition to strong operating cash flow
  - good relationships with our local lending banks and USPP providers



Capex, Depreciation, Interest, Tax

Capex

- FY12 capex below, totalling $165m
- FY13 project capex will include completing the Bally roll-out, completion of the Darwin Resort, further development of the Auckland property and the start of Hamilton hotel
- FY13 maintenance capex expected to be broadly consistent with FY12, c.$50m

Capex Spend	FY11	FY12
Completion of Auckland Projects	$21m	$32m
Darwin Resort	$4m	$32m
Darwin Little Mindil	$8m	$0m
Other Development Capex	$2m	$7m
Bally	$0m	$10m
Land acquisition in Auckland	$2m	$32m
Maintenance Capex (net of disposals)	$40m	$52m
Total	**$77m**	**$165m**

Depreciation: $72.4m, up $3.9m (5.7%)

- FY12 depreciation increase of $3.9m reflects recent significant capex spend, largely in Auckland

Debt & Interest: $48.4m, up $3.0m (6.6%)

- Average debt balance during FY12 at $705m with average cost of 7.15%
- 7.15% comprises 7.33% in 1H12 and 7.00% in 2H12, as USPP replaced with cheaper bank financing
- FY13 cost expected to be in line with 2H12

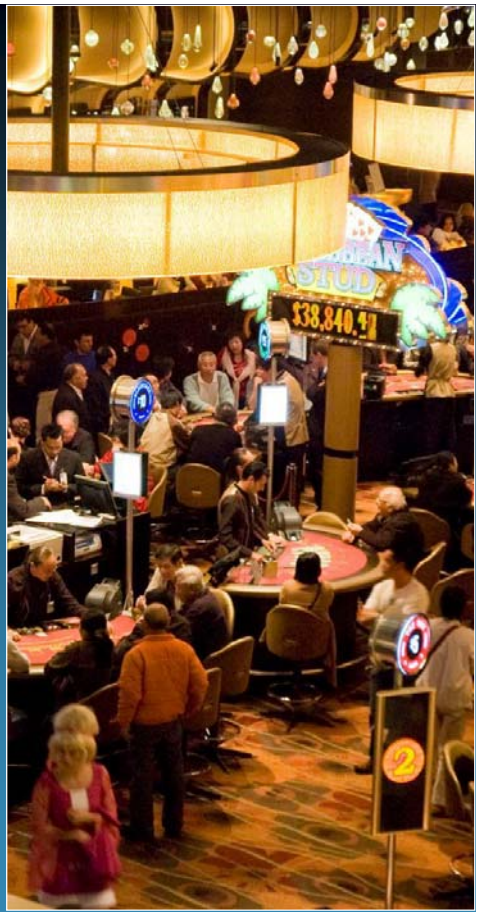
Tax: $48.1m, up $2.0m (4.3%)

- Effective tax rate for FY12 at 25.3% after the decrease in New Zealand corporate tax rate effective 1 July 2011 for SKYCITY
- FY13 tax rate projected to remain broadly consistent with FY12

▪ *Normalised*

SKYCITY ENTERTAINMENT GROUP

Strategic Growth Projects



New Zealand International Convention Centre

- SKYCITY remains focused upon successfully negotiating an outcome which would see it invest up to $350 million to develop, deliver, own and operate an iconic International Convention Centre for New Zealand, on a site directly adjacent to the Auckland property
- In return, SKYCITY is seeking:
  - an early renewal of the Auckland casino licence beyond 2021
  - an increase in gaming product to meet demand and provide for future growth, and
  - changes to gaming regulations which would increase the efficiency and attractiveness of the offering we are able to provide our customers
- The Auditor-General is presently undertaking a review of the Government's expressions of interest process, primarily focused upon an examination of the Government's process for seeking and assessing proposals
  - whilst this is more a matter for Government, SKYCITY is supporting the enquiry
  - following completion of the A-G's report (expected within ~ 1 to 2 months), we hope to re-engage with the Government and conclude these negotiations
- In FY12, c. $30m has been invested acquiring a land bank opposite the main Auckland site
- Shareholders should remain assured that the proposed transaction will only proceed on the basis that an acceptable return on capital can be delivered from the total project

SKYCITY ENTERTAINMENT GROUP

New Zealand International Convention Centre

Artists impression

SKYCITY ENTERTAINMENT GROUP

Adelaide Redevelopment

- SKYCITY is continuing its discussions with the South Australian Government's Casino Task Force regarding the future taxation and regulatory framework for the Adelaide Casino
  - once this has been determined, SKYCITY can then decide how to best progress its plans for the redevelopment and transformation of the Adelaide Casino
- The potential redevelopment of the Adelaide Casino into a truly world class integrated entertainment facility, set amidst a significantly redeveloped Torrens Riverbank precinct represents an outstanding growth opportunity for both SKYCITY and for Adelaide
- The entertainment facility is planned to feature a boutique 6 star hotel, underground car park, signature restaurants, bars, a day spa, roof top pool lounge, expanded gaming, including International and VIP gaming
- The South Australian State Government re-affirmed its commitment to its major infrastructure development expenditure in the recent June 2012 State Budget
  - $40m Torrens footbridge: announced location, adjacent to SKYCITY Casino, on 5 July
  - $530m Adelaide Oval: demolition works complete. New stand construction underway (50,000 capacity)
  - $350m Convention centre expansion: Phase I well underway

Torrens Footbridge

Artists impression of Torrens Footbridge

Adelaide Casino

Adelaide Riverbank Development Concept

Hamilton Hotel

- We have approved the development of a 4+ star hotel with 135 rooms above our Hamilton property
- We anticipate the total cost to be around $35m
- We believe the hotel development brings much needed quality hotel accommodation to central Hamilton
- It will significantly improve the facilities that we are able to offer to our existing and future customers
- The hotel will include 8 luxury duplex suites for our premium customers, 16 large suites with river frontage balconies, in addition to 111 standard rooms
- The hotel plans also include a 5-lane swimming pool, sauna and gymnasium

Focus for FY13

Focus for FY13

- **New Zealand**
  - To further capitalise on returns from the investments made in Auckland in FY12, particularly "Horizon" and "Eight"
  - To position "Federal Street" as the leading restaurant and entertainment precinct in Auckland, with the introduction of additional great restaurants
  - To optimise the benefits of the new Bally gaming system
  - Progress the development of the Hamilton Casino Hotel project
  - Aim to conclude negotiations with Government on the NZICC development and expansion and regulatory reforms
- **Australia**
  - To capitalise on returns from investments made at SKYCITY Darwin
  - Aim to conclude negotiations with the SA Government and Casino Task Force regarding the tax and regulatory framework facilitating the transformation of the Adelaide Casino into a truly world-class integrated entertainment and hotel complex
- **Trading Update**
  - The first six weeks have started well, with normalised revenues up more than 5% on the PCP
  - The comparative period will get more challenging, due to the RWC 2011 impact in FY12
  - We will provide a further trading update to shareholders at the General Meeting on Friday 19th October 2012

Appendix

Full Year Period Ended 30 June 2012

Normalised P&L Summary by Business Unit

New Zealand operations expressed in NZ$m Australian operations expressed in A$m (normalised)	FY12										FY11									
	Auckland NZ$m	Adelaide A$m	Darwin A$m	Total Australia A$m	Total Australia NZ$m	Hamilton NZ$m	Christchurch NZ$m	Other NZ Operations NZ$m	Corporate NZ$m	SKYCITY Group NZ$m	Auckland NZ$m	Adelaide A$m	Darwin A$m	Total Australia A$m	Total Australia NZ$m	Hamilton NZ$m	Christchurch NZ$m	Other NZ Operations NZ$m	Corporate NZ$m	SKYCITY Group NZ$m
Gross Gaming revenue	397.4	144.2	91.7	235.9	302.2	43.7	0.0	7.6	0.0	750.9	348.8	140.1	88.1	228.2	298.4	40.7	0.0	6.7	0.0	694.6
Non-Gaming Revenue	130.0	16.6	26.2	42.8	54.7	8.4	5.6	1.1	0.0	199.8	112.3	16.7	25.5	42.2	55.0	7.2	6.2	1.7	0.0	182.4
Total Revenue(incl Gaming GST)	**527.4**	**160.8**	**117.9**	**278.7**	**356.9**	**52.1**	**5.6**	**8.7**	**0.0**	**950.7**	**461.2**	**156.8**	**113.6**	**270.4**	**353.3**	**47.9**	**6.2**	**8.4**	**0.0**	**877.0**
Gaming GST	(49.7)	(13.1)	(8.3)	(21.4)	(27.3)	(5.6)	0.0	(0.9)	0.0	(83.5)	(42.3)	(12.6)	(7.9)	(20.5)	(26.9)	(5.1)	0.0	(0.9)	0.0	(75.2)
Total Revenue (incl Gaming GST)	**477.7**	**147.7**	**109.6**	**257.3**	**329.6**	**46.5**	**5.6**	**7.8**	**0.0**	**867.2**	**418.9**	**144.2**	**105.7**	**249.9**	**326.4**	**42.8**	**6.2**	**7.5**	**0.0**	**801.8**
Expenses	259.8	111.0	74.9	185.9	238.2	24.7	0.0	6.5	27.4	556.6	222.0	108.2	71.4	179.6	234.8	22.6	0.0	6.4	25.1	510.9
EBITDA	**217.9** 41.3%	**36.7** 22.8%	**34.7** 29.4%	**71.4** 25.6%	**91.4** 25.6%	**21.8** 41.8%	**5.6** 100.0%	**1.3** 14.9%	**(27.4)**	**310.6** 32.7%	**196.9** 42.7%	**36.0** 23.0%	**34.3** 30.2%	**70.3** 26.0%	**91.6** 25.9%	**20.2** 42.2%	**6.2** 100.0%	**1.1** 13.1%	**(25.1)**	**290.9** 33.2%
Depreciation	39.7	6.2	8.7	14.9	19.2	4.3	0.0	1.0	2.2	66.4	35.0	6.3	9.1	15.4	20.1	4.0	0.0	1.6	0.9	61.6
Amortisation	0.2	2.1	0.1	2.2	2.8			0.0	3.0	6.0	0.1	2.1	0.1	2.2	2.9			0.0	3.9	6.9
EBIT	**178.0** 33.8%	**28.4** 17.7%	**25.9** 22.0%	**54.3** 19.5%	**69.4** 19.4%	**17.5** 33.6%	**5.6** 100.0%	**0.3** 3.4%	**(32.6)**	**238.2** 25.1%	**161.8** 35.1%	**27.6** 17.6%	**25.1** 22.1%	**52.7** 19.5%	**68.6** 19.4%	**16.2** 33.8%	**6.2** 100.0%	**(0.5)** -6.0%	**(29.9)**	**222.4** 25.4%
Funding										48.4										45.4
Net Profit before tax										**189.8** 20.0%										**177.0** 20.2%
Tax										48.1										46.1
Minority Interest (Queenstown)										0.3										0.0
Normalised Net Profit										**141.4**										**130.9**

- *Other NZ Operations includes Queenstown and other minor operations. Minority Interests relate to SKYCITY Queenstown*
- *EBITDA margin is calculated as a % of GST-inclusive gaming revenues and GST-exclusive non-gaming revenues to facilitate Australasian comparisons*

Reported and Normalised Earnings

	FY12				FY11			
	Revenue $m	EBITDA $m	EBIT $m	NPAT $m	Revenue $m	EBITDA $m	EBIT $m	NPAT $m
Reported	**941.1**	**300.5**	**227.7**	**138.5**	**887.1**	**294.3**	**224.6**	**123.0**
Restructuring Costs		2.2	2.2	1.6	-	2.5	2.5	1.7
Canterbury Earthquake Charity					-	1.0	1.0	0.7
One-Off Costs for Capital Projects			0.4	0.7			1.2	0.8
Write-down of Christchurch								15.0
Tax Adjustments				(5.1)				(5.4)
Other NRI		2.1	2.1	1.5		0.8	0.8	0.5
Total NRI	**-**	**4.3**	**4.7**	**1.3**	**-**	**4.3**	**5.5**	**13.3**
Adjusted for NRI	**941.2**	**304.8**	**232.4**	**137.2**	**887.1**	**298.6**	**230.1**	**136.3**
International Business at Theoretical	9.6	5.8	5.8	4.2	(10.1)	(7.7)	(7.7)	(5.4)
Normalised	**950.7**	**310.6**	**238.2**	**141.4**	**877.0**	**290.9**	**222.4**	**130.9**

- *Revenue includes GST inclusive gaming revenues and GST exclusive non-gaming revenues*
- *'Normalised' (underlying) earnings eliminates non-recurring items and adjusts international VIP commission business win rate to theoretical*

FY12 Notes re Reported and Normalised Earnings

- Other NRI includes one-off costs associated with opening the new Auckland facilities, launching Bally and Premier Rewards and other miscellaneous items
- IB win rate at 1.13% for FY12. Adjustment to theoretical win rate of 1.35% increases IB (normalised) EBITDA by $5.8m from $8.5m Reported to $14.3m Normalised
- Tax adjustments relate to the release of deferred tax balances in Australia no longer required
- Gaming revenue figures reflect gaming win (inclusive of gaming GST). This facilitates Australasian comparisons. It also facilitates period on period comparisons given the GST rate change in New Zealand on 1 October 2010
- Non-gaming revenues are net of GST
- Total revenues are gaming win plus non-gaming revenues
- EBITDA margin is calculated as a % of gaming win (GST inclusive) plus non-gaming revenue - to facilitate Australasian and period on period comparisons

SKYCITY Auckland FY12 – including Normalised IB

	FY12 $m	FY11 $m	Movement $m	Movement %
Revenues				
Machines	**226.8**	206.2	20.6	10.0%
Tables – Local	**119.9**	116.7	3.2	2.7%
Tables – International (Normalised)	**50.7**	26.0	24.7	95.0%
Gross Gaming Revenue (incl GST)	**397.4**	348.9	48.5	13.9%
Food and Beverage	**45.1**	36.3	8.8	24.2%
Hotels and Conventions	**61.3**	53.7	7.6	14.2%
Sky Tower, Parking, Other	**23.6**	22.3	1.3	5.8%
Non-Gaming Revenue	**130.0**	**112.3**	**17.7**	**15.8%**
Total Revenue (incl gaming GST)	**527.4**	**461.2**	**66.2**	**14.4%**
Gaming GST	**49.7**	42.3	(7.4)	(17.5%)
Total Revenue (excl gaming GST)	**477.7**	**418.9**	**58.8**	**14.0%**
Expenses	**259.8**	222.0	(37.8)	(17.0%)
Normalised EBITDA including IB ***EBITDA Margin***	**217.9** ***41.3%***	**196.9** ***42.7%***	**21.0**	**10.7%**
Auckland IB to Actual win rate	**(7.3)**	9.9	(17.2)	
Reported EBITDA including IB	**210.6**	**206.8**	**3.8**	**1.8%**

- *EBITDA margin is calculated as a % of GST-inclusive gaming revenues and GST-exclusive non-gaming revenues to facilitate Australasian comparisons*

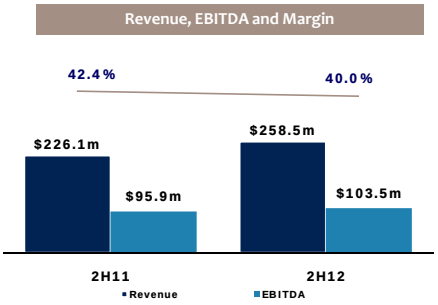
SKYCITY Auckland 2H12 – including Normalised IB

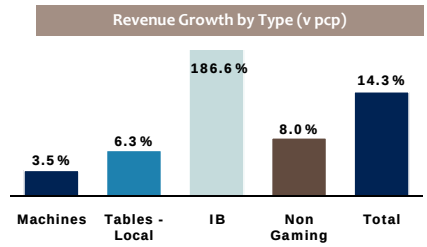
	2H12 $m	2H11 $m	Movement $m	Movement %
Revenues				
Machines	**108.9**	105.2	3.7	3.5%
Tables – Local	**59.4**	55.9	3.5	6.3%
Tables – International (Normalised)	**32.1**	11.2	20.9	186.6%
Gross Gaming Revenue (incl GST)	**200.4**	**172.3**	**28.1**	**16.3%**
Food and Beverage	**22.0**	17.5	4.5	25.7%
Hotels and Conventions	**24.4**	24.9	(0.5)	(2.0%)
Sky Tower, Parking, Other	**11.7**	11.4	0.3	2.6%
Non-Gaming Revenue	**58.1**	**53.8**	**4.3**	**8.0%**
Total Revenue (incl gaming GST)	**258.5**	**226.1**	**32.4**	**14.3%**
Gaming GST	**25.1**	21.6	(3.5)	(16.2%)
Total Revenue (excl gaming GST)	**233.4**	**204.5**	**28.9**	**14.1%**
Expenses	**129.9**	108.6	(21.3)	(19.6%)
Normalised EBITDA including IB ***EBITDA Margin***	**103.5** ***40.0%***	**95.9** ***42.4%***	**7.6**	**7.9%**
Auckland IB to Actual win rate	**(8.4)**	9.2	(17.6)	
Reported EBITDA including IB	**95.1**	**105.1**	**(10.0)**	**(9.5%)**

- *EBITDA margin is calculated as a % of GST-inclusive gaming revenues and GST-exclusive non-gaming revenues to facilitate Australasian comparisons*

SKYCITY Auckland 2H12

- 2H12 Revenues up $32.4m (+14.3%) on 2H11
- Gaming machines growth of 3.5% on a strong pcp. Bally implementation, while successful, impacted visitation, customer experience and availability of machines in Q4-12
- 2H12 local table games revenue growth of 6.3%, on a drop increase of 7.8%. Hold at c.19% was slightly lower than pcp, driven by a movement in player game preference
  - the new facilities in "Eight" for local premium players has been a very successful growth driver in FY12
- "Horizon" suites and salons drove the International Business revenue growth of 187% in 2H12, from $11m to $32m
- Solid 8% growth in non-gaming driven by new F&B outlets on Federal St and Hotels performing well in a softer market (hotels continue to outperform competitor sets)
- Lower EBITDA margin at 40% is due to change in business mix (more IB and F&B revenues) and some additional customer marketing investment in 2H12





- *Gaming revenue figures as shown in the charts on this page are gaming win (inclusive GST). This facilitates Australasian comparisons. It also facilitates period on period comparisons given the GST rate change in New Zealand on 1 October 2010*
- *Non gaming revenues are net of GST*
- *Total revenues as shown are gaming win plus non-gaming revenues*
- *EBITDA margin is calculated as a % of gaming win (GST inclusive) plus non-gaming revenue - to facilitate Australasian and period on period comparisons*

NZICC – Expected Returns

The returns to SKYCITY from investing in the NZICC are anticipated to be derived from:

- The contribution from operating the NZICC and parking
- The on-spend from the significant additional expected visitation
  - expect around 350k business event visitor days, plus additional visitation from concerts and other major events which can be held at the NZICC
- Improved accessibility via additional car parking and a pedestrian link way bridge
- Incremental gaming cash flows from additional gaming product and regulatory reforms delivering greater operating efficiencies
  - also allows for a more contemporary gaming product offering equivalent to competitors
- An extension of the term of the Auckland Casino Licence beyond the current term
  - provides valuable certainty for a range of different stakeholders and ensures the sustainability of our largest operations

Significant Benefits for New Zealand

- **Significant Economic Benefits**
  - Experts predict the NZICC will bring >180,000 business event delegates to Auckland, generating over 350,000 delegate days per annum
  - This includes over 30,000 international visitors who wouldn't come to New Zealand, but for these events
  - The extra spending by these international visitors will be in excess of $90 million per annum
    - this equates to around $50m in value added to the New Zealand economy per annum – *a Rugby World Cup every 2 years*
- **Jobs and Training**
  - Estimated 1,000 jobs during the construction phase
  - Around 800 jobs once fully operational
  - Significant training and apprenticeships for young New Zealanders
- **Lucrative Business Events tourism**
  - Spend more than average tourists
  - Stay longer than average tourists

SKYCITY ENTERTAINMENT GROUP

SKYCITY Auckland – International Business

Table Games – International Business (IB) in Auckland

- "Horizon", our new investment in private gaming salons and hotel suites for International VIP players, was successfully opened in July 2011
- Players have reacted extremely positively to the enhanced facilities. The enlarged area allow us to leverage peak periods, such as Chinese New Year and other holidays, and host more players and groups more often
- FY12 Turnover was $3.8bn, +95% on PCP. FY12 Actual win rate only 1.03%, lower than the theoretical 1.35%
  - Actual win rate over the last 3-years in Auckland is 1.34%, broadly at theoretical

	FY12	FY11	FY10	Movement FY12 vs FY11 $	Movement FY12 vs FY11 %	Movement FY12 vs FY10 $	Movement FY12 vs FY10 %
Turnover ($bn)	**3.8**	**1.9**	**1.2**	**1.8**	**95%**	**2.6**	**207%**
Normalised Hold %	*1.35%*	*1.35%*	*1.35%*				
Normalised Win ($m)	**50.7**	**26.0**	**16.5**	**24.7**	**95%**	**34.2**	**207%**
Normalised EBITDA ($m)	**12.5**	**6.2**	**2.9**	**6.3**	**102%**	**9.6**	**331%**
Actual Hold %	**1.03%**	*1.98%*	*1.19%*	*(0.95 pts)*		*(0.16 pts)*	
Actual Win ($m)	**38.6**	38.0	14.5	0.6	2%	24.1	166%
Actual EBITDA ($m)	**5.2**	16.1	1.3	(10.9)	(68%)	3.9	300%

SKYCITY ENTERTAINMENT GROUP

International Business - Consolidated Result

	FY12 NZ$m	FY11 NZ$m	Movement NZ$m	Movement %	FY12 Win %	FY11 Win %
Turnover (NZ$b)						
Auckland	3.8	1.9	1.9	95.0%		
Other	0.6	0.9	(0.3)	(22.1%)		
Total Actual Turnover	4.4	2.8	1.6	59.5%		
Actual Revenue (incl Gaming GST)						
Auckland	38.6	38.0	0.6	1.6%	1.03%	1.98%
Other	11.3	9.4	1.9	20.2%	1.67%	1.00%
Total Actual Revenue	49.9	47.4	2.5	5.3%	1.13%	1.71%
Actual EBITDA						
Auckland	5.2	16.1	(10.9)	(67.7%)		
Other	3.3	0.1	3.2	3,200.0%		
Total Actual EBITDA	8.5	16.2	(7.7)	(47.5%)		
Normalised Revenue (incl Gaming GST)						
Auckland	50.7	26.0	24.7	95.0%	1.35%	1.35%
Other	8.8	11.3	(2.5)	(22.1%)	1.35%	1.35%
Total Normalised Revenue	59.5	37.3	22.2	59.5%	1.35%	1.35%
Normalised EBITDA						
Auckland	12.5	6.2	6.3	101.6%		
Other	1.8	2.3	(0.5)	(21.7%)		
Total Normalised EBITDA	14.3	8.5	5.8	68.2%		

- *The difference between Normalised and Reported can be seen on page 40*

SKYCITY ENTERTAINMENT GROUP

Adelaide Casino FY12 – including Normalised Adelaide IB

	FY12 A$m	FY11 A$m	Movement A$m	Movement %
Revenues				
Machines	65.0	59.9	5.1	8.5%
Tables – Local	73.1	73.4	(0.3)	(0.4%)
Tables – International (Normalised)	6.1	6.8	(0.7)	(10.3%)
Gross Gaming Revenue (incl GST)	144.2	140.1	4.1	2.9%
Food and Beverage, Other	16.6	16.7	(0.1)	(0.6%)
Total Revenue (incl gaming GST)	160.8	156.8	4.0	2.6%
Gaming GST	13.1	12.6	(0.5)	(4.0%)
Total Revenue (excl gaming GST)	147.7	144.2	3.5	2.4%
Expenses	111.0	108.2	(2.8)	(2.6%)
Normalised EBITDA *EBITDA Margin*	36.7 22.8%	36.0 23.0%	0.7	1.9%
Adjust IB to Actual win rate	0.8	(1.6)	2.4	
Reported EBITDA	37.5	34.4	3.1	9.0%

- *EBITDA margin is calculated as a % of GST-inclusive gaming revenues and GST-exclusive non-gaming revenues to facilitate Australasian comparisons*

SKYCITY ENTERTAINMENT GROUP

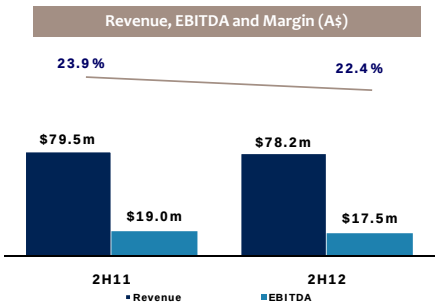
Adelaide Casino 2H12 – including Normalised Adelaide IB

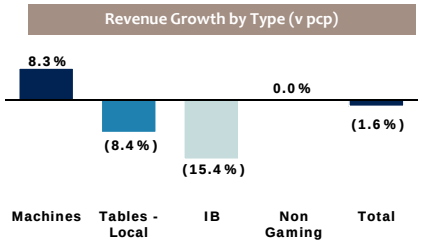
	2H12 A$m	2H11 A$m	Movement A$m	Movement %
Revenues				
Machines	**32.5**	30.0	2.5	8.3%
Tables – Local	**34.7**	37.9	(3.2)	(8.4%)
Tables – International (Normalised)	**3.3**	3.9	(0.6)	(15.4%)
Gross Gaming Revenue (incl GST)	**70.5**	**71.8**	(1.3)	(1.8%)
Food and Beverage, Other	**7.7**	7.7	0.0	0.0%
Total Revenue (incl gaming GST)	**78.2**	**79.5**	**(1.3)**	**(1.6%)**
Gaming GST	**6.4**	6.4	0.0	0.0%
Total Revenue (excl gaming GST)	**71.8**	**73.1**	(1.3)	(1.8%)
Expenses	**54.3**	54.1	(0.2)	(0.4%)
Normalised EBITDA	**17.5**	**19.0**	(1.5)	**(7.9%)**
EBITDA Margin	**22.4%**	**23.9%**		
Adjust IB to Actual win rate	**(0.5)**	(1.9)	1.4	
Reported EBITDA	**17.0**	**17.1**	**(0.1)**	**(0.6%)**

- *EBITDA margin is calculated as a % of GST-inclusive gaming revenues and GST-exclusive non-gaming revenues to facilitate Australasian comparisons*

Adelaide Casino 2H12

- Visitation and revenue strengthened in May and June across the board
- Solid EGMs Win and Market Share growth
- Local Table Gaming
  - whilst table games drop volumes grew 5% in 2H12, hold of only 19% disappointed compared to prior year, resulting in a revenue decline
- Non-Gaming revenue softer in challenging economic environment for Restaurants & Bars in Adelaide
- EBITDA was impacted by the decrease in Table Gaming hold, lower visitation in Jan-Apr and expense growth impacted by:
  - increased marketing costs to drive visitation and spend
  - sharp increase in utility costs (electricity charges in particular) and insurance





- *Gaming revenue figures as shown in the charts on this page are gaming win (inclusive GST). This facilitates Australasian comparisons*
- *Non gaming revenues are net of GST*
- *Total revenues as shown are gaming win plus non-gaming revenues*
- *EBITDA margin is calculated as a % of gaming win (GST inclusive) plus non-gaming revenue - to facilitate Australasian comparisons*

SKYCITY Darwin FY12 – including Normalised Darwin IB

	FY12 A$m	FY11 A$m	Movement A$m	Movement %
Revenues				
Machines	**60.2**	59.5	0.7	1.2%
Tables – Local	**16.6**	15.2	1.4	9.2%
Tables – International (Normalised)	**0.3**	1.1	(0.8)	(72.7%)
Keno	**14.6**	12.3	2.3	18.7%
Gross Gaming Revenue (incl GST)	**91.7**	**88.1**	3.6	4.1%
Food and Beverage, Hotel, Other	**26.2**	25.5	0.7	2.7%
Total Revenue (incl gaming GST)	**117.9**	**113.6**	**4.3**	**3.8%**
Gaming GST	**8.3**	7.9	(0.4)	(5.1%)
Total Revenue (excl gaming GST)	**109.6**	105.7	3.9	3.7%
Expenses	**74.9**	71.4	(3.5)	(4.9%)
Normalised EBITDA *EBITDA Margin*	**34.7** *29.4%*	**34.3** *30.2%*	0.4	1.2%
Adjust IB to Actual win rate	**0.1**	(0.9)	1.0	
Reported EBITDA	**34.8**	**33.4**	**1.4**	**4.2%**

- *EBITDA margin is calculated as a % of GST-inclusive gaming revenues and GST-exclusive non-gaming revenues to facilitate Australasian comparisons*

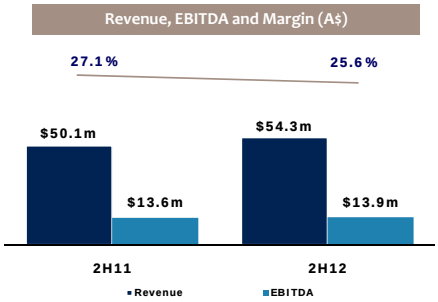
SKYCITY Darwin 2H12 – including Normalised Darwin IB

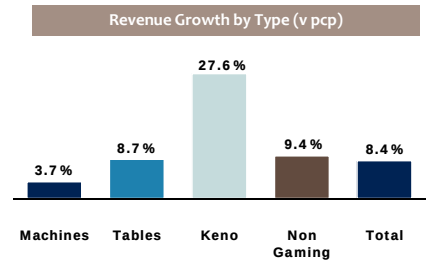
	2H12 A$m	2H11 A$m	Movement A$m	Movement %
Revenues				
Machines	**27.8**	26.8	1.0	3.7%
Tables – Local	**7.2**	6.8	0.4	5.9%
Tables – International (Normalised)	**0.3**	0.1	0.2	200.0%
Keno	**7.4**	5.8	1.6	27.6%
Gross Gaming Revenue (incl GST)	**42.7**	**39.5**	3.2	8.1%
Food and Beverage, Hotel, Other	**11.6**	10.6	1.0	9.4%
Total Revenue (incl gaming GST)	**54.3**	**50.1**	**4.2**	**8.4%**
Gaming GST	**3.8**	3.5	(0.3)	(8.6%)
Total Revenue (excl gaming GST)	**50.5**	46.6	3.9	8.4%
Expenses	**36.6**	33.0	(3.6)	(10.9%)
Normalised EBITDA *EBITDA Margin*	**13.9** *25.6%*	**13.6** *27.1%*	0.3	2.2%
Adjust IB to Actual win rate	**(0.2)**	(0.2)	0.0	
Reported EBITDA	**13.7**	**13.4**	**0.3**	**2.2%**

- *EBITDA margin is calculated as a % of GST-inclusive gaming revenues and GST-exclusive non-gaming revenues to facilitate Australasian comparisons*

SKYCITY Darwin 2H12

- Overall revenue growth in 2H12 of 8.4% was very encouraging and shows the momentum returning in Darwin
- Gaming machines revenue up 3.7%, from roll out of new product and strategic marketing initiatives directed at key player demographics
- Local Table games revenue up 5.9%, capitalising on new growth in 1H12
- Keno revenues grew by $1.6m (+27.6%) as the 10 spot jackpot pool grew to over $2.2m
- Non-gaming revenues increased $1.0m in 2H12 due to the completion of two restaurant refurbishments creating increased visitation. Hotel room refurbishments also brought additional rooms online for 2H12
- Normalised EBITDA of $13.9m is up 2.2% on 2H11. Additional expenses were being incurred to bring new venue offerings on line, as well as ramping up for Lagoon Resort development opening. This includes a marketing and promotion strategy positioning SKYCITY as Darwin's vibrant and exciting entertainment venue





- *Gaming revenue figures as shown in the charts on this page are gaming win (inclusive GST). This facilitates Australasian comparisons*
- *Non gaming revenues are net of GST*
- *Total revenues as shown are gaming win plus non-gaming revenues*
- *EBITDA margin is calculated as a % of gaming win (GST inclusive) plus non-gaming revenue - to facilitate Australasian comparisons*

SKYCITY Hamilton FY12 – including Normalised Hamilton IB

	FY12 $m	FY11 $m	Movement $m	Movement %
Revenues				
Machines	**33.7**	29.6	4.1	13.9%
Tables – Local	**9.6**	10.2	(0.6)	(5.9%)
Tables – International (Normalised)	**0.4**	0.9	(0.5)	(55.6%)
Gross Gaming Revenue (incl GST)	**43.7**	**40.7**	3.0	7.4%
Food and Beverage, Other	**8.4**	7.2	1.2	16.7%
Total Revenue (incl gaming GST)	**52.1**	**47.9**	**4.2**	**8.8%**
Gaming GST	**5.6**	5.1	(0.5)	(9.8%)
Total Revenue (excl gaming GST)	**46.5**	**42.8**	3.7	8.6%
Expenses	**24.7**	22.6	(2.1)	(9.3%)
Normalised EBITDA *EBITDA Margin*	**21.8** *41.8%*	**20.2** *42.2%*	**1.6**	**7.9%**
Adjust IB to Actual win rate	0.3	1.2	(0.9)	
Reported EBITDA	**22.1**	**21.4**	**0.7**	**3.3%**

- *EBITDA margin is calculated as a % of GST-inclusive gaming revenues and GST-exclusive non-gaming revenues to facilitate Australasian comparisons*

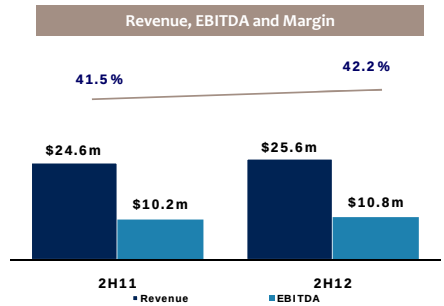
SKYCITY Hamilton 2H12 – including Normalised Hamilton IB

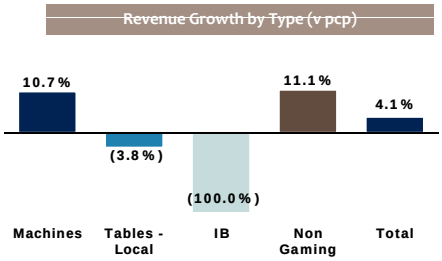
	2H12 $m	2H11 $m	Movement $m	Movement %
Revenues				
Machines	**16.6**	15.0	1.6	10.7%
Tables – Local	**5.0**	5.2	(0.2)	(3.8%)
Tables – International (Normalised)	**0.0**	0.8	(0.8)	(100.0%)
Gross Gaming Revenue (incl GST)	**21.6**	**21.0**	0.6	2.9%
Food and Beverage, Other	**4.0**	3.6	0.4	11.1%
Total Revenue (incl gaming GST)	**25.6**	**24.6**	**1.0**	**4.1%**
Gaming GST	**2.7**	2.8	(0.1)	(3.6%)
Total Revenue (excl gaming GST)	**22.9**	**21.8**	1.1	5.0%
Expenses	**12.1**	11.6	(0.5)	(4.3%)
Normalised EBITDA ***EBITDA Margin***	**10.8** ***42.2%***	**10.2** ***41.5%***	**0.6**	**5.9%**
Adjust IB to Actual win rate	**(0.2)**	0.9	(1.1)	
Reported EBITDA	**10.6**	**11.1**	**(0.5)**	**(4.5%)**

- *EBITDA margin is calculated as a % of GST-inclusive gaming revenues and GST-exclusive non-gaming revenues to facilitate Australasian comparisons*

SKYCITY Hamilton 2H12

- Hamilton's 2H12 growth on a strong pcp is a result of successful main gaming floor initiatives combined with a focus on improving customer experiences across the property
- Machine and non-gaming revenues were both up in 2H12, offset by table games (hold % down on PY), delivering an overall revenue growth of 4.1%
- Gaming machine revenue growth continued again in 2H12, up 10.7% on 2H11
- Non-gaming revenues increase in 2H12 reflects an improved range of dining and entertainment offerings
- Hamilton continues to perform profitably, with 2H12 EBITDA of $10.8m (+5.9%) and at an increased margin





- *Gaming revenue figures as shown in the charts on this page are gaming win (inclusive GST). This facilitates Australasian comparisons. It also facilitates period on period comparisons given the GST rate change in New Zealand on 1 October 2010*
- *Non gaming revenues are net of GST*
- *Total revenues as shown are gaming win plus non-gaming revenues*
- *EBITDA margin is calculated as a % of gaming win (GST inclusive) plus non-gaming revenue - to facilitate Australasian and period on period comparisons*

Cash Flows

- Consistent and reliable cash flows
  - SKYCITY continues to generate strong cash flows
  - cash flows from operating activities were $262m and $209m in FY12 and FY11 respectively
- Capex spend $165m
  - capex includes completing the Auckland projects ($32m), Auckland land purchases ($32m), continued development of the Darwin Tropical Resort (A$25m) and Bally ($10m). The balance broadly consists of development and maintenance capex across all sites[1]
- Working Capital/Other
  - these adjustments relate primarily to movements in the underlying working capital of the Group

Cashflow summary	FY12	FY11
Reported EBITDA	300.5	294.3
Tax paid	(49.3)	(62.5)
Working capital/other	10.5	(22.4)
Operating cash flow	**261.7**	**209.4**
Capex - disposals	1.7	4.1
Capex - maintenance	(53.4)	(44.0)
Capex - development	(113.0)	(36.8)
Net Capex	(164.7)	(76.7)
Free cash flow	**97.0**	**132.7**
Dividends	(93.3)	(93.1)
Interest paid	(49.0)	(44.8)
Share purchases	(7.2)	(11.4)
Repayment of debt	(264.5)	(199.4)
New debt	241.3	238.8
Derivatives/other	12.5	(20.7)
Change in cash balance	**(63.2)**	**2.1**
Opening cash balance	104.6	102.5
Closing cash balance	41.4	104.6

[1] *Dollar amounts represent cash expenditure in FY12*

SKYCITY ENTERTAINMENT GROUP

Consolidated Balance Sheet
SKYCITY Entertainment Group Limited

Equity	As at 30/06/12 NZ$m	As at 30/06/11 NZ$m	Movement NZ$m
Share Capital	727.6	728.6	(1.0)
Retained profits	81.7	41.1	40.6
Reserves	(1.9)	3.7	(5.6)
Minority interests	1.7	1.4	0.3
Total Equity	809.1	774.8	34.3
Current Assets			
Cash and bank	41.4	104.6	(63.2)
Receivables and prepayments	27.0	30.9	(3.9)
Inventories	6.8	7.0	(0.2)
Tax prepayment	35.5	36.6	(1.1)
Derivative financial instruments	0.5	0.3	0.2
Total Current Assets	111.2	179.4	(68.2)
Non-Current Assets			
Property, plant and equipment	1,064.4	991.3	73.1
Intangible assets	410.7	410.4	0.3
Investments in associates	75.2	73.8	1.4
Tax prepayment	31.6	27.8	3.8
Derivative financial instruments	23.1	-	23.1
Total Non-Current Assets	1,605.0	1,503.3	101.7
Total Assets	1,716.2	1,682.7	33.5

- **Equity**
  - Movements in share capital relate to the employee long-term incentive plan and the dividend reinvestment plan
  - Movement in retained profits records the current year's net profit after tax less the FY11 final dividend and FY12 interim dividend
- **Reserves**
  - The movement in foreign currency translation reserve reflects changes in the New Zealand dollar value of the company's net Australian assets due to movements in the NZD/AUD exchange rate
  - The movement in the cash flow hedge reserve represents fair value movements in SKYCITY's interest rate and cross currency interest rate swaps that are part of cash flow hedging relationships
  - **Minority interest** of $1.7m is Skyline Enterprises' 40% shareholding in Queenstown Casino
- **Current Assets**
  - Cash and bank balances: $2.5m interest-bearing deposits and $38.9m cash held in-house/on-property

SKYCITY ENTERTAINMENT GROUP

Consolidated Balance Sheet (continued)
SKYCITY Entertainment Group Limited

	As at 30/06/12 NZ$m	As at 30/06/11 NZ$m	Movement NZ$m
Total Assets (carried forward)	**1,716.2**	**1,682.7**	**33.5**
Current Liabilities			
Payables	107.2	110.9	3.7
Current tax liabilities	8.0	5.3	(2.7)
Interest bearing liabilities - Current	-	247.3	247.3
Derivative financial instruments	0.6	10.1	9.5
Total Current Liabilities	**115.8**	**373.6**	**257.8**
Non-Current Liabilities			
Interest bearing liabilities - Term	604.9	350.2	(254.7)
Subordinated debt - capital notes	56.4	56.4	-
Deferred tax liabilities	84.6	94.3	9.7
Derivative financial instruments	45.4	33.4	(12.0)
Total Non-Current Liabilities	**791.3**	**534.3**	**(257.0)**
Total Liabilities	**907.1**	**907.9**	**0.8**
Net Assets	**809.1**	**774.8**	**34.3**
Net Debt (excluding cash in house)	**658.8**	**598.2**	**(60.6)**
Net Debt:EBITDA	**2.1**	**2.0**	
Net Position of Derivative Financial Instruments included in Balance Sheet Assets/(Liabilities)	(22.4)	(43.2)	20.8

- **Non-Current Assets**
  - $73.1m increase in Property, Plant and Equipment relates primarily to additions ("Horizon"/"Eight", Diamond Room, Fortuna Buffet, Federal Street, Darwin Tropical Resort, gaming machines and land purchases in Auckland), partially offset by depreciation and the impact of movement in the NZD/AUD exchange rate (-$3.3m impact)
  - The increase in intangible assets is largely the new Bally Gaming System, almost fully offset by the result of movements in the NZD/AUD exchange rate and amortisation
  - Investments in Associates comprise SKYCITY's investment in Christchurch Casinos Limited (CCL) (effective ownership 50%). The balance of the investment in CCL is held via shareholder advances
- **Current and Non-Current Liabilities**
  - Derivative financial instruments represent the market value of interest rate swaps, cross currency interest rate swaps and forward foreign exchange contracts
  - At 30 June 2012 all interest bearing liabilities (US Private Placement debt and bank facility) are non-current

Australian Dollar Earnings
Adelaide and Darwin

- FY12 NPAT result comparison to FY11 is impacted by NZD/AUD exchange rate
- Average NZD/AUD cross-rate during FY12 0.7813
- Average NZD/AUD cross-rate during FY11 0.7668
- Restating FY11 prior period at 0.7813 to remove the FX differential would have the following impact

  FY11 Reported EBITDA (-$1.6m)

  FY11 Normalised EBITDA (-$1.7m)

  FY11 Reported NPAT (-$0.6m)

  FY11 Normalised NPAT (-$0.7m)

Disclaimer

- *All information included in this presentation is provided as at 15 August 2012.*
- *The presentation includes a number of forward-looking statements. Forward looking statements, by their nature, involve inherent risks and uncertainties. Many of those risks and uncertainties are matters which are beyond SKYCITY's control and could cause actual results to differ from those predicted. Variations could either be materially positive or materially negative.*
- *This presentation has not taken into account any particular investor's investment objectives or other circumstances. Investors are encouraged to make an independent assessment of SKYCITY.*

SKYCITY ENTERTAINMENT GROUP

APPENDIX 7 – NZSX Listing Rules

EMAIL: announce@nzx.com

Notice of event affecting securities

NZSX Listing Rule 7.12.2. For rights, NZSX Listing Rules 7.10.9 and 7.10.10.
For change to allotment, NZSX Listing Rule 7.12.1, a separate advice is required.

Number of pages including this one (Please provide any other relevant details on additional pages)

Full name of Issuer	**SKYCITY Entertainment Group Limited**
Name of officer authorised to make this notice	**Peter Treacy**
Authority for event, e.g. Directors' resolution	**Directors' resolution**
Contact phone number	**(09) 363 6141**
Contact fax number	**(09)363 6140**
Date	15 / 8 / 2012

Nature of event *Tick as appropriate*

Bonus Issue ☐ *If ticked, state whether:* *Taxable* ☐ */ Non Taxable* ☐ *Conversion* ☐ *Interest* ☐ *Rights Issue Renouncable* ☐

Rights Issue non-renouncable ☐ Capital change ☐ Call ☐ Dividend ☐ If ticked, state whether: Interim ☐ Full Year ☐ Special ☐ DRP Applies ☐

EXISTING securities affected by this

If more than one security is affected by the event, use a separate form.

Description of the class of securities	**Ordinary Shares**
ISIN	**NZSKCE0001S2** *If unknown, contact NZX*

Details of securities issued pursuant to this event

If more than one class of security is to be issued, use a separate form for each class.

Description of the class of securities	
ISIN	*If unknown, contact NZX*
Number of Securities to be issued following event	
Minimum Entitlement	
Ratio, e.g (1) *for* (2)	*for*
Conversion, Maturity, Call Payable or Exercise Date	*Enter N/A if not applicable*
Treatment of Fractions	
Strike price per security for any issue in lieu or date Strike Price available.	*Tick if pari passu* ☐ *OR provide an explanation of the ranking*

Monies Associated with Event

Dividend payable, Call payable, Exercise price, Conversion price, Redemption price, Application money.

In dollars and cents

Amount per security (does not include any excluded income)	**$0.0800**
Excluded income per security (only applicable to listed PIEs)	
Currency	**NZ Dollars**
Total monies	**$46,156,667**

Source of Payment: **Profit**

Supplementary dividend details - NZSX Listing Rule 7.12.7

Amount per security in dollars and cents	**$0.008471**
Date Payable	**5 October, 2012**

Taxation

In the case of a taxable bonus issue state strike price $

Amount per Security in Dollars and cents to six decimal places

Resident Withholding Tax	**$0.013893**	Imputation Credits (Give details)	**$0.018667**
Foreign Withholding Tax	$	FWP Credits (Give details)	

Timing (Refer Appendix 8 in the NZSX Listing Rules)

Record Date 5pm
For calculation of entitlements -
28 September, 2012

Application Date
Also, Call Payable, Dividend / Interest Payable, Exercise Date, Conversion Date. In the case of applications this must be the last business day of the week.
5 October, 2012

Notice Date
Entitlement letters, call notices, conversion notices mailed

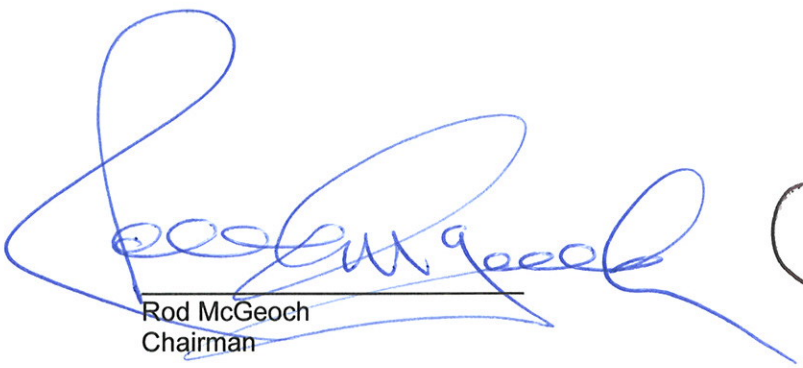
Allotment Date
For the issue of new securities. Must be within 5 business days of application closing date.

OFFICE USE ONLY
Ex Date:
Commence Quoting Rights:
Cease Quoting Rights 5pm:
Commence Quoting New Securities:
Cease Quoting Old Security 5pm:

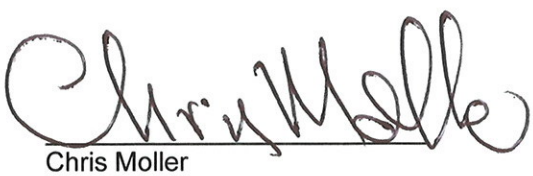
Security Code:
Security Code:

SKYCITY Entertainment Group Limited
Financial Statements
for the year ended 30 June 2012

For and on behalf of the Board:



Rod McGeoch
Chairman



Chris Moller
Chairman of the Audit and Risk Committee

15 August 2012

Independent Auditors' Report

to the shareholders of SKYCITY Entertainment Group Limited

Report on the Financial Statements

We have audited the financial statements of SKYCITY Entertainment Group Limited ("the Company") on pages 1 to 49, which comprise the balance sheets as at 30 June 2012, the income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and the notes to the financial statements that include a summary of significant accounting policies and other explanatory information for both the Company and the Group. The Group comprises the Company and the entities it controlled at 30 June 2012 or from time to time during the financial year.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation of these financial statements in accordance with generally accepted accounting practice in New Zealand and that give a true and fair view of the matters to which they relate and for such internal controls as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand) and International Standards on Auditing. These standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider the internal controls relevant to the Company and the Group's preparation of financial statements that give a true and fair view of the matters to which they relate, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company and the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

We have no relationship with, or interests in, SKYCITY Entertainment Group Limited or any of its subsidiaries other than in our capacities as auditors and providers of accounting, tax, other assurance and advisory services. These services have not impaired our independence as auditors of the Company and the Group.

Independent Auditors' Report

SKYCITY Entertainment Group Limited

Opinion

In our opinion, the financial statements on pages 1 to 49:

(i) comply with generally accepted accounting practice in New Zealand; and

(ii) comply with International Financial Reporting Standards; and

(iii) give a true and fair view of the financial position of the Company and the Group as at 30 June 2012, and their financial performance and cash flows for the year then ended.

Report on Other Legal and Regulatory Requirements

We also report in accordance with Sections 16(1)(d) and 16(1)(e) of the Financial Reporting Act 1993. In relation to our audit of the financial statements for the year ended 30 June 2012:

(i) we have obtained all the information and explanations that we have required; and

(ii) in our opinion, proper accounting records have been kept by the Company as far as appears from an examination of those records.

Restriction on Distribution or Use

This report is made solely to the Company's shareholders, as a body, in accordance with Section 205(1) of the Companies Act 1993. Our audit work has been undertaken so that we might state to the Company's shareholders those matters which we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report or for the opinions we have formed.

Chartered Accountants Auckland

15 August 2012

SKYCITY Entertainment Group Limited
Income statements
For the year ended 30 June 2012

	Notes	Consolidated 2012 $'000	Consolidated 2011 $'000	Parent 2012 $'000	Parent 2011 $'000
Total receipts including GST	3	**960,203**	902,381	**-**	-
Less non-gaming GST	3	**(26,398)**	(22,562)	**-**	-
Gaming win plus non-gaming revenue	3	**933,805**	879,819	**-**	-
Less gaming GST	3	**(82,275)**	(76,674)	**-**	-
Revenue	3	**851,530**	803,145	**-**	-
Other income	4	**1,928**	1,261	**110,178**	100,133
Shares of net profits of associates		**5,447**	5,976	**-**	-
Employee benefits expense		**(276,642)**	(260,676)	**(22,117)**	(18,458)
Other expenses	5	**(100,354)**	(92,623)	**(3,782)**	(6,391)
Direct consumables		**(62,190)**	(52,607)	**-**	-
Gaming taxes and levies		**(64,039)**	(61,275)	**-**	-
Marketing and communications		**(49,909)**	(44,886)	**(441)**	(1,197)
Directors' fees		**(1,034)**	(741)	**(1,034)**	(741)
Depreciation and amortisation expense	5	**(72,770)**	(69,710)	**(5,561)**	(5,958)
Restructuring costs	5	**(4,274)**	(3,298)	**(2,093)**	-
Finance costs - net	6	**(48,861)**	(43,772)	**(4,171)**	(3,908)
Impairment of Christchurch Casino	15	**-**	(15,000)	**-**	-
Profit before income tax		**178,832**	165,794	**70,979**	63,480
Tax expense pre 2010 Government Budget changes	7	**(39,962)**	(48,226)	**-**	-
Profit for the year before tax expense relating to 2010 Government Budget changes		**138,870**	117,568	**70,979**	63,480
Tax expense relating to 2010 Government Budget changes		**-**	5,435	**-**	-
Profit for the year		**138,870**	123,003	**70,979**	63,480
Income tax expense		***(39,962)***	*(42,791)*	**-**	-
Attributable to:					
Profit attributable to shareholders of the company		**138,534**	122,960	**70,979**	63,480
Non controlling interest	24	**336**	43	**-**	-
		138,870	123,003	**70,979**	63,480
		Cents	Cents		
Earnings per share for profit attributable to the shareholders of the company:					
Basic earnings per share	8	**24.0**	21.4		
Diluted earnings per share	8	**23.8**	20.9		

The above income statements should be read in conjunction with the accompanying notes.

SKYCITY Entertainment Group Limited
Statements of comprehensive income
For the year ended 30 June 2012

	Notes	Consolidated 2012 $'000	Consolidated 2011 $'000	Parent 2012 $'000	Parent 2011 $'000
Profit for the year		**138,870**	123,003	**70,979**	63,480
Other comprehensive income					
Exchange differences on translation of overseas subsidiaries	23	**(4,517)**	5,397	**-**	-
Movement in cash flow hedges	23	**(1,375)**	(13,733)	**593**	(593)
Income tax relating to components of other comprehensive income	23	**360**	4,133	**(166)**	166
Other comprehensive income for the year		**(5,532)**	(4,203)	**427**	(427)
Total comprehensive income for the year, net of tax		**133,338**	118,800	**71,406**	63,053
Total comprehensive income for the year is attributable to:					
Shareholders of the company		**133,002**	118,757		
Non controlling interest	24	**336**	43		
		133,338	118,800		

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

SKYCITY Entertainment Group Limited
Balance sheets
As at 30 June 2012

	Notes	Consolidated 2012 $'000	Consolidated 2011 $'000	Parent 2012 $'000	Parent 2011 $'000
ASSETS					
Current assets					
Cash and bank balances	9	**41,400**	104,577	**1**	1
Receivables and prepayments	10	**26,974**	30,900	**153,629**	87,376
Inventories		**6,876**	6,970	**-**	-
Tax prepayment	11	**35,503**	36,637	**-**	-
Derivative financial instruments	12	**480**	272	**-**	-
Total current assets		**111,233**	179,356	**153,630**	87,377
Non-current assets					
Tax prepayment	11	**31,550**	27,789	**-**	-
Property, plant and equipment	13	**1,064,418**	991,331	**7,532**	7,054
Investment in subsidiaries	30	**-**	-	**618,775**	618,775
Intangible assets	14	**410,645**	410,412	**10,031**	10,696
Investments in associates	15	**75,266**	73,782	**-**	-
Derivative financial instruments	12	**23,154**	-	**-**	-
Total non-current assets		**1,605,033**	1,503,314	**636,338**	636,525
Total assets		**1,716,266**	1,682,670	**789,968**	723,902
LIABILITIES					
Current liabilities					
Payables	16	**107,186**	110,851	**344,768**	250,997
Interest bearing liabilities	17	**-**	247,267	**-**	-
Current tax liabilities	11	**7,972**	5,349	**-**	-
Derivative financial instruments	12	**664**	10,102	**-**	113
Total current liabilities		**115,822**	373,569	**344,768**	251,110
Non-current liabilities					
Interest bearing liabilities	18	**604,902**	350,202	**-**	-
Subordinated debt - capital notes	19	**56,414**	56,400	**56,414**	56,400
Deferred tax liabilities	20	**84,571**	94,290	**-**	-
Derivative financial instruments	12	**45,415**	33,393	**-**	-
Total non-current liabilities		**791,302**	534,285	**56,414**	56,400
Total liabilities		**907,124**	907,854	**401,182**	307,510
Net assets		**809,142**	774,816	**388,786**	416,392
EQUITY					
Share capital	22	**727,598**	728,616	**727,598**	728,616
Reserves	23(a)	**(1,850)**	3,682	**-**	(427)
Retained profits/(losses)	23(b)	**81,690**	41,150	**(338,812)**	(311,797)
Parent entity interest		**807,438**	773,448	**388,786**	416,392
Non controlling interest	24	**1,704**	1,368	**-**	-
Total equity		**809,142**	774,816	**388,786**	416,392

The above balance sheets should be read in conjunction with the accompanying notes.

SKYCITY Entertainment Group Limited
Statements of changes in equity
For the year ended 30 June 2012

Consolidated	Notes	Share capital $'000	Hedging reserves $'000	Foreign currency translation reserve $'000	Retained losses / profits $'000	Minority interest $'000	Total equity $'000
Balance as at 1 July 2010		732,910	(2,740)	10,625	17,397	1,325	759,517
Total comprehensive income/(expense)		-	(9,600)	5,397	122,960	43	118,800
Dividends	25	-	-	-	(99,207)	-	(99,207)
Shares issued under dividend reinvestment plan	22	6,101	-	-	-	-	6,101
Share rights issued for employee services	22	1,047	-	-	-	-	1,047
Net purchase of treasury shares	22	(11,442)	-	-	-	-	(11,442)
Balance as at 30 June 2011		728,616	(12,340)	16,022	41,150	1,368	774,816
Balance as at 1 July 2011		728,616	(12,340)	16,022	41,150	1,368	774,816
Total comprehensive income/(expense)		-	(1,015)	(4,517)	138,534	336	133,338
Dividends	25	-	-	-	(97,994)	-	(97,994)
Shares issued under dividend reinvestment plan	22	4,736	-	-	-	-	4,736
Share rights issued for employee services	22	1,426	-	-	-	-	1,426
Net purchase of treasury shares	22	(7,180)	-	-	-	-	(7,180)
Balance as at 30 June 2012		727,598	(13,355)	11,505	81,690	1,704	809,142

Parent	Notes	Share capital $'000	Hedging reserves $'000	Retained losses $'000	Total equity $'000
Balance as at 1 July 2010		732,910	-	(276,070)	456,840
Total comprehensive income/(expense)		-	(427)	63,480	63,053
Shares issued under dividend reinvestment plan	22	6,101	-	-	6,101
Dividends	25	-	-	(99,207)	(99,207)
Share rights issued for employee services	22	1,047	-	-	1,047
Net purchase of treasury shares	22	(11,442)	-	-	(11,442)
Balance as at 30 June 2011		728,616	(427)	(311,797)	416,392
Balance as at 1 July 2011		728,616	(427)	(311,797)	416,392
Total comprehensive income/(expense)		-	427	70,979	71,406
Shares issued under dividend reinvestment plan	22	4,736	-	-	4,736
Dividends	25	-	-	(97,994)	(97,994)
Share rights issued for employee services	22	1,426	-	-	1,426
Net purchase of treasury shares	22	(7,180)	-	-	(7,180)
		(1,018)	-	(97,994)	(99,012)
Balance as at 30 June 2012		727,598	-	(338,812)	388,786

The above statements of changes in equity should be read in conjunction with the accompanying notes.

SKYCITY Entertainment Group Limited
Statements of cash flows
For the year ended 30 June 2012

	Notes	Consolidated 2012 $'000	Consolidated 2011 $'000	Parent 2012 $'000	Parent 2011 $'000
Cash flows from operating activities					
Receipts from customers		**854,348**	795,231	**-**	-
Payments to suppliers and employees		**(490,574)**	(469,413)	**(25,785)**	(26,204)
		363,774	325,818	**(25,785)**	(26,204)
Dividends received		**3,968**	747	**-**	-
Interest received		**167**	192	**-**	-
Gaming tax paid		**(56,841)**	(54,896)	**-**	-
Income taxes paid		**(49,325)**	(62,496)	**-**	-
Net cash inflow / (outflow) from operating activities	33	**261,743**	209,365	**(25,785)**	(26,204)
Cash flows from investing activities					
Purchase of/proceeds from property, plant and equipment		**(153,689)**	(74,822)	**-**	-
Payments for intangible assets		**(11,008)**	(1,893)	**-**	-
Loan repayment from Christchurch Hotels Limited		**1,110**	194	**-**	-
Dividend from subsidiaries		**-**	-	**110,178**	100,133
Net cash inflow / (outflow) from investing activities		**(163,587)**	(76,521)	**110,178**	100,133
Cash flows from financing activities					
Cash flows associated with derivatives	12	**11,283**	(20,884)	**-**	-
Repayment of borrowings		**(264,450)**	(362,359)	**-**	-
New borrowings		**241,314**	401,799	**-**	9,408
Advances from subsidiaries	29	**-**	-	**19,700**	25,547
Net purchase of treasury shares	22	**(7,180)**	(11,442)	**(7,180)**	(11,442)
Dividends paid to company shareholders		**(93,258)**	(93,106)	**(93,258)**	(93,106)
Interest paid		**(49,042)**	(44,781)	**(3,655)**	(4,336)
Net cash (outflows) from financing activities		**(161,333)**	(130,773)	**(84,393)**	(73,929)
Net increase / (decrease) in cash and bank balances		**(63,177)**	2,071	**-**	-
Cash and bank balances at the beginning of the year		**104,577**	102,506	**1**	1
Cash and cash equivalents at end of year	9	**41,400**	104,577	**1**	1

The above statements of cash flows should be read in conjunction with the accompanying notes.

1 GENERAL INFORMATION

SKYCITY Entertainment Group Limited (SKYCITY or the company and its subsidiaries or the Group) operates in the gaming/entertainment, hotel and convention, hospitality, recreation, and tourism sectors. The Group has operations in New Zealand and Australia.

SKYCITY is a limited liability company incorporated and domiciled in New Zealand. The address of its registered office is Federal House, 86 Federal Street, Auckland. The company is dual-listed on the New Zealand and Australian stock exchanges.

These financial statements have been approved for issue by the board of directors on 15 August 2012.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These general purpose financial statements for the year ended 30 June 2012 have been prepared in accordance with New Zealand generally accepted accounting practice (NZ GAAP). They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable New Zealand Financial Reporting Standards.

(a) Basis of Preparation

The principal accounting policies adopted in the preparation of this financial report are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Compliance with IFRS

The separate and consolidated financial statements of SKYCITY also comply with International Financial Reporting Standards (IFRS).

Entities Reporting

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Group as at 30 June 2012 and the results of all subsidiaries and associates for the year then ended.

The financial statements of the 'Parent' are for the company as a separate legal entity.

The Parent company and the Group are designated as profit-oriented entities for financial reporting purposes.

The Parent company has a negative net working capital balance. The Parent's subsidiaries will continue to support it as required.

The Group has a small negative working capital balance. The Group has significant available undrawn banking facilities totalling $340 million as at 30 June 2012 (refer to note 18) and has the ability to fully pay all debts as they fall due.

Statutory Base

SKYCITY is a company registered under the New Zealand Companies Act 1993 and is an issuer in terms of the Securities Act 1978 (New Zealand).

These financial statements have been prepared in accordance with the requirements of the Financial Reporting Act 1993 (New Zealand) and the Companies Act 1993 (New Zealand).

Measurement Basis

These financial statements have been prepared under the historical cost convention, as modified by the revaluation financial assets and liabilities (including derivative instruments) at fair value through profit or loss.

Critical Accounting Estimates and Judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires the company to exercise its judgement in the process of applying the Group's accounting policies. Estimates are used in the following areas: impairment testing of goodwill, indefinite life casino licences and assessing the probability of utilisation of unused tax losses.

The Group tests annually whether goodwill and indefinite licences have suffered any impairment, in accordance with the accounting policy stated in note 2(i). The recoverable amounts of cash-generating units have been determined based on value in use calculations. These calculations require the use of estimates (refer note 14).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

There is significant headroom between the value in use calculations and the carrying value of the remaining assets such that reasonably possible changes in the assumptions used would not result in an impairment.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses (refer note 20). Certain judgements are made in calculating these temporary differences.

(b) Principles of Consolidation

(i) Subsidiaries

Subsidiaries are all those entities (including special purpose entities) over which the company has the power to govern the financial and operating policies to obtain benefits generally accompanying a shareholding of more than one half of the voting rights.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are not consolidated from the date that control ceases.

The Group financial statements consolidate the financial statements of subsidiaries, using the acquisition method.

The acquisition method of accounting is used to account for the acquisition of subsidiaries and businesses by the Group. The consideration transferred in a business is measured at fair value, which is calculated as the sum of the acquisition-date fair value of the assets transferred by the acquirer, the liabilities incurred by the acquirer to former owners of the acquiree and the equity interest issued by the acquirer. It includes any asset or liability arising from a contingent consideration arrangement. Acquisition related costs are expensed as incurred. Each identifiable asset and liability is generally measured at its acquisition-date fair value except if an NZ IFRS requires another measurement basis. The excess of the consideration transferred over the Group's share of the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed is recognised as goodwill. If the consideration transferred is less than the acquisition-date fair value of identifiable assets acquired and liabilities assumed, a gain is recognised directly in profit or loss.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the company.

Non controlling interests in the results and equity of subsidiaries are shown separately in the consolidated Income Statement and Balance Sheet respectively.

Subsidiaries are accounted for at cost less any impairment within the parent entity financial statements.

(ii) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the differences between consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(iii) Associates

Associates are all entities over which the Group has significant influence but not control, generally evidenced by holdings of between 20% and 50% of the voting rights. Investments in associates are accounted for in the parent entity's financial statements using the cost method and in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The Group's share of its associates' post acquisition profits or losses is recognised in the Income Statement and its share of post acquisition movements in reserves is recognised in reserves. The cumulative post acquisition movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses unless it has incurred obligations or made payments on behalf of the associate.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

(c) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operation decision maker. The chief operating decision maker has been identified as the Chief Executive Officer/Managing Director.

(d) Foreign Currency Translation

(i) Functional and Presentation Currency

Items included in the financial statements of each of the company's operations are measured using the currency of the primary economic environment in which the entity operates ('functional currency'). The consolidated and parent financial statements are presented in New Zealand dollars, which is the company's functional and the Group's presentation currency.

(ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Translation differences on non-monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary items, such as equities classified as available for sale financial assets, are included in the fair value reserve in equity.

(iii) Foreign Operations

The results and financial position of foreign entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency below:

- assets and liabilities for each Balance Sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each Income Statement are translated at average exchange rates; and
- all resulting exchange differences are recognised as a separate component of equity.

Exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(e) Revenue Recognition

Revenue is recognised as summarised below.

(i) Operating Revenue

Operating revenues include casino, hotel, food and beverage, convention centre, tower admissions and other revenues. Gaming revenues represent the net gaming win to the casino from gaming activities, being the difference between amounts wagered and amounts won by casino patrons.

Revenues exclude the retail value of rooms, food, beverage and other promotional allowances provided on a complimentary basis to customers.

(ii) Interest Income

Interest income is recognised on a time proportion basis using the effective interest method.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(iii) Dividend Income

Dividend income is recognised when the right to receive payment is established.

(iv) Loyalty Programme

A portion of revenue is allocated to the loyalty points scheme and is recognised when customers redeem their loyalty points.

(f) Income Tax

The income tax expense for the period is the tax payable on the current period's taxable income, based on the income tax rate for each jurisdiction. This is then adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements and changes in unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(g) Goods and Services Tax (GST)

The Income Statement, Cash Flow Statement and Statement of Changes in Equity have been prepared so that all components are stated exclusive of GST. All items in the Balance Sheet are stated net of GST, with the exception of receivables and payables, which include GST invoiced.

(h) Leases

(i) The Group is the Lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Income Statement on a straight-line basis over the period of the lease.

(ii) The Group is the Lessor

Assets leased to third parties under operating leases are included in property, plant and equipment in the Balance Sheet. They are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

(i) Impairment of Non-Current Assets

Goodwill and Intangible Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation (property, plant and equipment and intangibles that have a finite useful life) are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount exceeds its recoverable amount. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Cash and Bank Balances

Cash and bank balances include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Balance Sheet.

(k) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

Collectibility of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of those receivables.

(l) Inventories

Inventories, all of which are finished goods, are stated at the lower of cost and net realisable value determined on a first in, first out basis.

(m) Investments and Other Financial Assets

The Group classifies its investments in the following categories: financial assets at fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the investments were acquired. The company determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

Investments are initially recognised at fair value plus transactions costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

(i) Financial Assets at Fair Value Through Profit or Loss

This category has two sub-categories: financial assets classified as held for trading and financial assets designated as at fair value through profit or loss on initial recognition. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term. Derivatives are also classified as held for trading unless they are designated as hedges. The Group does not hold any assets that are designated as at fair value on initial recognition. Financial assets at fair value through profit or loss are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

(ii) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in receivables in the Balance Sheet.

(n) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The Group designates certain derivatives as either hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges) or hedges of exposures to variability in cash flows associated with recognised assets or liabilities or highly probable forecast transactions (cash flow hedges).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

At the inception of the transaction, SKYCITY documents the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

(i) Fair Value Hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the Income Statement together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(ii) Cash Flow Hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity in the hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Income Statement.

Amounts accumulated in equity are recycled in the Income Statement in the periods when the hedged item will affect profit or loss (for instance when the forecast sale that is hedged takes place). However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory) or a non-financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the measurement of the initial cost or carrying amount of the asset or liability.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised in the Income Statement when the forecast transaction is ultimately recognised in the Income Statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is transferred to the Income Statement.

(iii) Derivatives that do not qualify for Hedge Accounting

Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised in the Income Statement.

(o) Property, Plant and Equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives, as below:

- Buildings and fit-out	5-75 years
- Plant and equipment	2-75 years
- Motor vehicles	3 years
- Fixtures and fittings	3-20 years

Assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2(i)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Intangible Assets

(i) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired business/associate at the date of acquisition. Goodwill on acquisitions of businesses is included in intangible assets. Goodwill on acquisitions of associates is included in investments in associates. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash generating units for the purpose of impairment testing.

(ii) Casino Licences

The casino licences that have a finite useful life are carried at cost less accumulated amortisation. Amortisation of these casino licences is calculated on a straight line basis so as to expense the cost of the licences over their legal life.

The casino licences that have been determined to have an indefinite useful life are not amortised but rather are tested for impairment annually or more frequently if events or changes in circumstances indicate that they might be impaired, and are carried at cost less accumulated impairment losses.

(iii) Acquired Software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (three to seven years).

(q) Payables

Payables are stated at fair value or estimated liability where accrued.

(r) Borrowings

Borrowings, including capital notes and the Group's Adjustable Coupon Exchangeable Securities (SKYCITY ACES - now redeemed), are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost unless part of an effective hedging relationship. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Income Statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(s) Borrowing Costs

Borrowing costs are expensed, except for costs incurred for the construction of any qualifying asset which are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Employee Benefits

(i) *Wages, Salaries and Annual Leave*

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date, are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) *Share-Based Payments*

SKYCITY operates an equity settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the share rights or shares is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the share rights or shares granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of share rights or shares that are expected to be distributed. At each balance sheet date, the entity revises its estimates of the number of shares expected to be distributed. It recognises the impact of the revision of original estimates, if any, in the Income Statement, and a corresponding adjustment to equity over the remaining vesting period.

(u) Share Capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group company purchases the company's equity share capital, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the company's equity holders.

(v) Dividends

Provision is made for the amount of any dividend declared on or before the end of the financial year but not distributed at balance date.

(w) Earnings Per Share

(i) Basic Earnings Per Share
Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted Earnings Per Share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(x) Statement of Cash Flows

Cash flows associated with derivatives that are part of a hedging relationship are off-set against cash flows associated with the hedged item.

(y) Standards, amendments and interpretations to existing standards that are not yet effective

Certain new standards, amendments and interpretations to existing standards have been published that are mandatory for the Group's accounting periods beginning on or after 1 July 2012 or later periods, but which the Group has not early adopted. The significant items are:

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- **NZ IFRS 9, Financial Instruments** (effective from annual periods beginning on or after 1 January 2015). This standard replaces the parts of IAS 39 Financial Instruments: Recognition and Measurement that relates to the classification and measurement of financial instruments.

  All financial assets are required to be classified into two measurement categories: at fair value and at amortised cost. The determination is based on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

  For financial liabilities, the standard retains most of the IAS 39 requirements. An additional presentational requirement has been added for liabilities designated at fair value through profit and loss. Where the fair value option is taken, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income.

  This standard is not expected to significantly impact the Group.

- **NZ IFRS 13, Fair value measurement** (effective from annual periods beginning on or after 1 January 2013). NZ IFRS 13 replaces the fair value measurement guidance contained in individual NZ IFRSs with a single source of fair value measurement guidance. It defines fair value, establishes a framework for measuring fair value and sets out disclosure requirements for fair value measurements. It explains how to measure fair value when it is required or permitted by other NZ IFRSs. It does not introduce new requirements to measure assets or liabilities at fair value, nor does it eliminate the practicability exceptions to fair value measurements that currently exist in certain standards. This standard is not expected to significantly impact the Group.

(z) New Accounting Standards Adopted in the Year

There have been no significant changes in accounting policies during the current year. Accounting policies have been applied on a basis consistent with prior year.

3 REVENUE

	Consolidated		Parent	
	2012 $'000	2011 $'000	**2012 $'000**	2011 $'000
Total receipts including GST	**960,203**	902,381	**-**	-
Less non-gaming GST	**(26,398)**	(22,562)	**-**	-
Gaming win plus non-gaming revenue	**933,805**	879,819	**-**	-
Less gaming GST	**(82,275)**	(76,674)	**-**	-
Total revenue	**851,530**	803,145	**-**	-
Gaming	**658,713**	628,051	**-**	-
Non-gaming	**192,817**	175,094	**-**	-
Total revenue	**851,530**	803,145	**-**	-

Non-gaming revenue includes revenues from hotels, food and beverage, convention centre, car parking, property rentals, Sky Tower, and other non-gaming activities.

Included within consolidated gaming revenue is revenue relating to loyalty action points of $11,621,000 (30 June 2011: $10,486,000).

Included within consolidated non-gaming revenue is revenue relating to loyalty action points of $266,000 (30 June 2011: $306,000).

Gaming win represents the gross cash inflows associated with gaming activities. "Total receipts including GST" and "Gaming win plus non-gaming revenue" do not represent revenue as defined by NZ IAS 18 Revenue. The Group has decided to disclose these amounts as they give shareholders and interested parties a better appreciation for the scope of the Group's gaming activities and is consistent with industry practice adopted by casino operations in Australia.

4 OTHER INCOME

Net gain on disposal of property, plant and equipment	**1,756**	1,065	**-**	-
Interest income - Christchurch Hotels Limited	**167**	192	**-**	-
Dividend income	**5**	4	**-**	-
Dividends from wholly-owned entities	**-**	-	**110,178**	100,133
	1,928	1,261	**110,178**	100,133

5 EXPENSES

Profit before income tax includes the following specific expenses:

Depreciation				
Buildings	**24,777**	24,198	**-**	-
Plant and equipment	**34,215**	31,402	**2,593**	2,125
Fixtures and fittings	**7,366**	6,834	**-**	-
Motor vehicles	**400**	404	**-**	-
Total depreciation	**66,758**	62,838	**2,593**	2,125

5 EXPENSES (continued)

	Consolidated		Parent	
	2012 $'000	2011 $'000	**2012 $'000**	2011 $'000
Amortisation				
Casino licences (Adelaide)	**2,682**	2,736	**-**	-
Computer software	**3,330**	4,136	**2,968**	3,833
Total amortisation	**6,012**	6,872	**2,968**	3,833
Total depreciation and amortisation	**72,770**	69,710	**5,561**	5,958
Other expenses includes:				
Utilities, insurance and rates	**21,683**	19,616	**99**	106
Community Trust donations	**3,143**	3,185	**-**	-
Minimum lease payments relating to operating leases	**4,535**	4,408	**-**	-
Other property expenses	**16,045**	15,302	**-**	-
Other items (including International commissions)	**54,905**	50,031	**3,683**	6,285
Provision for bad and doubtful debts	**43**	81	**-**	-
	100,354	92,623	**3,782**	6,391
Restructuring costs				
Redundancy and other staff payments	**2,581**	2,471	**2,093**	-
Other restructuring costs	**1,693**	827	**-**	-
	4,274	3,298	**2,093**	-

Auditors' fees

During the year the following fees were paid or are payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms.

(a) Assurance services

Audit services				
PricewaterhouseCoopers				
Audit of Group financial statements	**418**	400	**418**	400
Audit of subsidiary financial statements	**92**	94	**-**	-
Half year review	**84**	80	**84**	80
Total remuneration for audit services	**594**	574	**502**	480
Other assurance services provided by PricewaterhouseCoopers				
Accounting advice and assistance	**85**	75	**85**	75
Systems assurance	**75**	-	**-**	-
Tax compliance services	**91**	73	**40**	45
Total remuneration for other assurance services	**251**	148	**125**	120
Total remuneration for assurance services	**845**	722	**627**	600

(b) Other services

PricewaterhouseCoopers				
Taxation and other advisory services	**266**	318	**169**	168
Total remuneration for taxation services	**266**	318	**169**	168
Total fees paid or payable to auditors	**1,111**	1,040	**796**	768

5 EXPENSES (continued)

The Group employs PricewaterhouseCoopers on assignments additional to their statutory audit duties where PricewaterhouseCoopers' expertise and experience with the Group are important and auditor independence is not impaired. These assignments are principally tax advice. For other work, the company's External Audit Independence Policy requires that advisers other than PricewaterhouseCoopers are engaged, unless otherwise approved by the Board's Audit and Risk Committee.

6 FINANCE COSTS - NET

	Consolidated		Parent	
	2012 $'000	2011 $'000	**2012 $'000**	2011 $'000
Finance costs				
Interest and finance charges	**53,167**	50,280	**4,171**	3,908
Exchange gains	**(582)**	(2,105)	**-**	-
Interest income	**(3,724)**	(2,783)	**-**	-
Gain on funding reorganisation (note 18)	**-**	(1,620)	**-**	-
Total finance costs	**48,861**	43,772	**4,171**	3,908

7 INCOME TAX EXPENSE

	Consolidated		Parent	
	2012 $'000	2011 $'000	**2012 $'000**	2011 $'000
(a) Income Tax Expense				
Current tax	**49,176**	39,570	**-**	-
Deferred tax	**(9,214)**	3,221	**-**	-
	39,962	42,791	**-**	-
Deferred tax (note 20)				
Origination and reversal of temporary differences	**(9,214)**	8,656	**-**	-
Change in New Zealand corporate tax rate and building depreciation	**-**	(5,435)	**-**	-
Total deferred tax	**(9,214)**	3,221	**-**	-
(b) Numerical Reconciliation of Income Tax Expense to Prima Facie Tax Payable				
Profit from continuing operations before income tax expense	**178,832**	165,794	**70,979**	63,480
Tax at the New Zealand tax rate of 28% (2011: 30%)	**50,073**	49,738	**19,874**	19,044
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:				
Inter-company eliminations	**-**	-	**10,830**	10,909
Net non-deductible items	**1,491**	1,427	**146**	87
Share of net profit of associates	**(1,525)**	(1,793)	**-**	-
Impairment of Christchurch Casino	**-**	4,500	**-**	-
Foreign exchange rate differences	**1,336**	1,591	**-**	-
Exempt dividends received	**-**	-	**(30,850)**	(30,040)
Share of partnership expenditure	**(7,071)**	(7,180)	**-**	-
Tax losses not previously recognised	**(284)**	(27)	**-**	-
Differences in overseas tax rates	**773**	-	**-**	-
Over provision in prior years	**(4,831)**	(30)	**-**	-
Tax expense pre Government Budget changes	**39,962**	48,226	**-**	-
Change in New Zealand tax building depreciation	**-**	(5,522)	**-**	-
Change in New Zealand corporate tax rate	**-**	87	**-**	-
Tax expense relating to Government Budget changes	**-**	(5,435)	**-**	-
Income tax expense	**39,962**	42,791	**-**	-

The weighted average applicable tax rate was 22.3% (2011: 25.8%) (excluding the impact of building tax depreciation changes and Christchurch Casinos impairment 22.3% (2011: 26.7%)).

The New Zealand corporate tax rate reduced from 30% to 28% and tax depreciation for buildings with an estimated life of 50 or more years was disallowed. Both of these changes were effective for the Group from 1 July 2011. The initial impact of these changes ($39,700,000) was included within the 2010 results. A $5,435,000 partial reversal in 2011 relates to adjustments to the 2010 estimated impact.

8 EARNINGS PER SHARE

	Consolidated	
	2012 Cents	2011 Cents
Basic earnings per share		
Profit for the year before tax expense relating to Government Budget changes and Christchurch Casino impairment	**24.0**	23.0
Profit attributable to the ordinary equity holders of the company	**24.0**	21.4
Diluted earnings per share		
Profit attributable to the ordinary equity holders of the company	**23.8**	20.9

(a) Reconciliations of Earnings used in calculating Earnings Per Share

	Consolidated	
	2012 $'000	2011 $'000
Basic earnings per share		
Profit from continuing operations	**138,870**	123,003
Profit attributable to minority interests	**(336)**	(43)
Profit attributable to the ordinary equity holders of the company used in calculating basic earnings per share	**138,534**	122,960
Diluted earnings per share		
Profit attributable to the ordinary equity holders of the company used in calculating basic earnings per share	**138,534**	122,960
Interest savings on capital notes	**4,160**	3,837
Interest savings on SKYCITY ACES	**-**	4,476
Tax on the above	**(1,165)**	(2,494)
Profit attributable to the ordinary equity holders of the company used in calculating diluted earnings per share	**141,529**	128,779

(b) Weighted Average number of shares used as the denominator

	2012 Number	2011 Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**576,958,340**	575,574,000
Adjustments for calculation of diluted earnings per share:		
SKYCITY ACES	**-**	25,622,391
Capital notes	**16,592,208**	14,501,611
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	**593,550,548**	615,698,002

8 EARNINGS PER SHARE (continued)

(c) Information concerning the classification of Securities

(i) SKYCITY ACES
The SKYCITY ACES were considered to be potential ordinary shares in 2011 and were therefore included in the determination of diluted earnings per share.

(ii) Capital Notes
Capital notes are considered to be potential ordinary shares and are therefore included in the determination of diluted earnings per share from their date of issue. The capital notes have not been included in the determination of basic earnings per share. Details relating to the capital notes are set out in note 19.

9 CASH AND BANK BALANCES

	Consolidated		Parent	
	2012 $'000	2011 $'000	**2012 $'000**	2011 $'000
Cash at bank	**2,538**	55,690	**1**	1
Cash in house	**38,862**	48,887	**-**	-
	41,400	104,577	**1**	1

10 RECEIVABLES AND PREPAYMENTS

	Consolidated		Parent	
	2012 $'000	2011 $'000	**2012 $'000**	2011 $'000
Trade receivables	**13,551**	9,285	**-**	-
Advance to Christchurch Hotels Limited (note 29)	**5,125**	6,235	**-**	-
Sundry receivables	**4,864**	11,244	**227**	112
Prepayments	**3,434**	4,136	**1,193**	2,041
Amounts due from subsidiaries (note 30)	**-**	-	**152,209**	85,223
	26,974	30,900	**153,629**	87,376

There are no significant receivables past due date or impaired.

11 NET TAX RECEIVABLES

	Consolidated		Parent	
	2012 $'000	2011 $'000	**2012 $'000**	2011 $'000
Tax prepayment - current	**35,503**	36,637	**-**	-
Tax prepayment - non current	**31,550**	27,789	**-**	-
Current tax liabilities	**(7,972)**	(5,349)	**-**	-
	59,081	59,077	**-**	-

Tax is typically paid in advance in New Zealand to ensure the Group has positive imputation credits as at 31 March of each year.

12 DERIVATIVE FINANCIAL INSTRUMENTS

	Fair value		Notional principal	
	2012 $'000	2011 $'000	**2012 $'000**	2011 $'000
Current assets				
Forward foreign currency contracts	**480**	272	**50,576**	6,911
Total current derivative financial instrument assets	**480**	272	**50,576**	6,911
Cross-currency interest rate swaps - cash flow hedges	**23,154**	-	**258,548**	-
Total non-current derivative financial instrument assets	**23,154**	-	**258,548**	-
Current liabilities				
Cross-currency interest rate swap - cash flow hedges*	**519**	4,981	**31,876**	83,227
Forward foreign currency contracts	**145**	113	**13,018**	5,785
Cross-currency interest rate swaps - fair value hedges*	**-**	1,998	**-**	19,492
Interest rate swaps - cash flow hedges	**-**	3,010	**-**	97,000
Total current derivative financial instrument liabilities	**664**	10,102	**44,894**	205,504
Non-current liabilities				
Interest rate swaps - cash flow hedges	**42,877**	14,514	**396,705**	399,184
Cross-currency interest rate swaps - cash flow hedges *	**2,538**	18,879	**59,751**	300,906
Total non-current derivative financial instrument liabilities	**45,415**	33,393	**456,456**	700,090

During the year, $3,927,289 of losses (2011: $3,545,228 gains) on hedged items were offset in the Income Statement by $4,153,420 of gains (2011: $3,739,485 losses) on derivatives in fair value hedging relationships.

There is no cash flow hedge ineffectiveness in either the current or prior year.

* The comparative period fair value amounts are net of collateral payments made of $11,283,153. When the fair value of the cross-currency interest rate swaps exceeds certain levels, a payment is received from (if the CCIRS is an asset) or made to (if the CCIRS is a liability) the counter-party. The collateral payment outstanding at 30 June 2011 was repaid during the current year, there are no collateral payments outstanding at 30 June 2012.

The parent has no derivatives at 30 June 2012 (2011: fair value of negative $113,000).

13 PROPERTY, PLANT AND EQUIPMENT

CONSOLIDATED	Land $'000	Buildings and fitout $'000	Plant and equipment $'000	Fixtures and fittings $'000	Motor vehicles $'000	Capital work in progress $'000	Total $'000
At 30 June 2010							
Cost	179,986	809,872	361,350	103,794	2,243	16,755	1,474,000
Accumulated depreciation	-	(176,884)	(272,223)	(70,455)	(1,259)	-	(520,821)
Net book value	179,986	632,988	89,127	33,339	984	16,755	953,179
Movements in the year ended 30 June 2011							
Opening net book value	179,986	632,988	89,127	33,339	984	16,755	953,179
Exchange differences	959	8,185	1,893	317	28	652	12,034
Net additions/transfers	(992)	9,418	28,395	1,389	217	50,529	88,956
Depreciation charge	-	(24,198)	(31,402)	(6,834)	(404)	-	(62,838)
Closing net book value	179,953	626,393	88,013	28,211	825	67,936	991,331
At 30 June 2011							
Cost	179,953	826,639	390,080	102,810	2,520	67,936	1,569,938
Accumulated depreciation	-	(200,246)	(302,067)	(74,599)	(1,695)	-	(578,607)
Net book value	179,953	626,393	88,013	28,211	825	67,936	991,331
Movements in the year ended 30 June 2012							
Opening net book value	179,953	626,393	88,013	28,211	825	67,936	991,331
Exchange differences	(255)	(2,165)	(493)	(78)	(7)	(258)	(3,256)
Net additions/transfers	10,226	45,337	47,916	13,433	329	25,860	143,101
Depreciation charge	-	(24,777)	(34,215)	(7,366)	(400)	-	(66,758)
Closing net book value	189,924	644,788	101,221	34,200	747	93,538	1,064,418
At 30 June 2012							
Cost	189,924	864,635	350,639	98,191	2,697	93,538	1,599,624
Accumulated depreciation	-	(219,847)	(249,418)	(63,991)	(1,950)	-	(535,206)
Net book value	189,924	644,788	101,221	34,200	747	93,538	1,064,418

13 PROPERTY, PLANT AND EQUIPMENT (continued)

PARENT COMPANY	Plant and equipment $'000	Capital work in progress $'000	Total $'000
At 30 June 2010			
Cost	28,171	2,655	30,826
Accumulated depreciation	(23,564)	-	(23,564)
Net book value	4,607	2,655	7,262
Movements in the year ended 30 June 2011			
Opening net book value	4,607	2,655	7,262
Net additions/transfers	3,839	(1,922)	1,917
Depreciation charge	(2,125)	-	(2,125)
Closing net book value	6,321	733	7,054
At 30 June 2011			
Cost	32,011	733	32,744
Accumulated depreciation	(25,690)	-	(25,690)
Net book value	6,321	733	7,054
Movements in the year ended 30 June 2012			
Opening net book value	6,321	733	7,054
Net additions/transfers	2,023	1,048	3,071
Depreciation charge	(2,593)	-	(2,593)
Closing net book value	5,751	1,781	7,532
At 30 June 2012			
Cost	27,496	1,781	29,277
Accumulated depreciation	(21,745)	-	(21,745)
Net book value	5,751	1,781	7,532

Borrowing costs of $2,129,123 have been capitalised in the current year relating to the Auckland and Adelaide capital projects and Darwin resort (2011: $346,722) using the Group's weighted average cost of debt.

A memorandum of encumbrance is registered against the title of land for the Auckland casino in favour of Auckland City Council. Auckland City Council requires prior written consent before any transfer, assignment or disposition of the land. The intent of the covenant is to protect the Council's rights under the resource consent, relating to the provision of the bus terminus, public car park and the provision of public footpaths around the complex.

A further encumbrance records the Council's interest in relation to the sub-soil areas under Federal and Hobson Streets used by SKYCITY as car parking and a vehicle tunnel. The encumbrance is to notify any transferee of the Council's interest as lessor of the sub-soil areas.

The SKYCITY Hamilton site is subject to the normal rights that the Crown reserves in respect of minerals and mining in relation to the sub-soil areas. The land title is subject to Section 27B of the State Owned Enterprises Act 1986 which does not provide for the owner of the land to be heard in relation to any recommendations of the Waitangi Tribunal for the resumption of the land. At balance date the company was not aware of any matters pertaining to the land under the State Owned Enterprises Act 1986. Drainage rights have been granted over parts of the land appurtenant to Lot 2 Plan 5.23789 (CT22C/1428). There is also a right of way granted over part of Lot 1 and part of Lot 2 DP580554.

14 INTANGIBLE ASSETS

CONSOLIDATED	Goodwill $'000	Casino Licences $'000	Computer software $'000	Total $'000
At 30 June 2010				
Cost	151,949	261,318	58,153	471,420
Accumulated amortisation	-	(29,468)	(44,726)	(74,194)
Net book amount	151,949	231,850	13,427	397,226
Movements in the year ended 30 June 2011				
Opening net book amount	151,949	231,850	13,427	397,226
Exchange differences	6,048	12,101	16	18,165
Additions	-	-	1,893	1,893
Amortisation charge	-	(2,736)	(4,136)	(6,872)
Closing net book amount	157,997	241,215	11,200	410,412
At 30 June 2011				
Cost	157,997	274,924	60,234	493,155
Accumulated amortisation	-	(33,709)	(49,034)	(82,743)
Net book amount	157,997	241,215	11,200	410,412
Movements in the year ended 30 June 2012				
Opening net book amount	157,997	241,215	11,200	410,412
Exchange differences	(1,605)	(3,156)	(3)	(4,764)
Additions	-	-	11,009	11,009
Amortisation charge	-	(2,682)	(3,330)	(6,012)
Closing net book amount	156,392	235,377	18,876	410,645
At 30 June 2012				
Cost	156,392	271,314	60,027	487,733
Accumulated amortisation	-	(35,937)	(41,151)	(77,088)
Net book amount	156,392	235,377	18,876	410,645

Casino Licence	Contract Term
Darwin	The casino and associated operations are carried out by SKYCITY Darwin under a casino licence/operator agreement (the Casino Operator's Agreement) with the Northern Territory Government. The current licence term was extended in 2011 and now expires on 30 June 2031. The Casino Operator's Agreement is subject to extension for a further 5 years once its period to maturity reaches 15 years. These licence extensions apply on a continuing five year basis so that, subject to certain criteria being met, the licence period is never less than 15 years.
Adelaide	The casino and associated operations are carried out by SKYCITY Adelaide under a casino licence (the Approved Licensing Agreement ("ALA")) dated October 1999 (as amended). The expiry date of the ALA is June 2085. The term of the ALA can be renewed for a further fixed term pursuant to section 9 of the Casino Act 1997 (SA). The carrying value of the Adelaide licence is amortised over the life of the agreement.
Auckland	SKYCITY Auckland Limited holds a Casino Premises Licence for the Auckland premises. The Casino Premises Licence is for an initial 25 year term from 2 February 1996. The licence can be renewed for further periods of 15 years pursuant to s138 of the Gaming Act 2003 (NZ). As the licence was initially granted to the company for nil consideration there is no associated carrying value.
Hamilton	SKYCITY Hamilton Limited holds a Casino Premises Licence for the Hamilton premises. The Casino Premises Licence is for an initial 25 year term from 19 September 2002. The licence can be renewed for further periods of 15 years pursuant to s138 of the Gaming Act 2003 (NZ). As the licence was initially granted to the company for nil consideration there is no associated carrying value.

14 INTANGIBLE ASSETS (continued)

PARENT COMPANY	Computer software $'000	Total $'000
At 30 June 2010		
Cost	50,813	50,813
Accumulated amortisation	(37,760)	(37,760)
Net book amount	13,053	13,053
Movements in the year ended 30 June 2011		
Opening net book amount	13,053	13,053
Additions	1,476	1,476
Amortisation charge	(3,833)	(3,833)
Closing net book amount	10,696	10,696
At 30 June 2011		
Cost	52,289	52,289
Accumulated amortisation	(41,593)	(41,593)
Net book amount	10,696	10,696
Movements in the year ended 30 June 2012		
Opening net book amount	10,696	10,696
Additions	2,303	2,303
Amortisation charge	(2,968)	(2,968)
Closing net book amount	10,031	10,031
At 30 June 2012		
Cost	45,583	45,583
Accumulated amortisation	(35,552)	(35,552)
Net book amount	10,031	10,031

(a) Impairment Tests for Intangibles with Indefinite Lives

Goodwill and licences with indefinite lives are allocated to the Group's cash-generating units (CGU's) identified below.

2012	SKYCITY Hamilton * $'000	SKYCITY Darwin $'000	Total $'000
Goodwill	35,786	120,606	156,392
Casino Licence	-	40,459	40,459
	35,786	161,065	196,851
2011			
Goodwill	35,786	122,211	157,997
Casino Licence	-	40,997	40,997
	35,786	163,208	198,994

The recoverable amount of a CGU is determined based on value in use calculations. These calculations use cash flow projections approved by directors covering a three year period. The growth rate does not exceed the long term average growth rate for the business in which the CGU operates. There is a surplus between the carrying values of indefinite life assets and value in use calculations.

* SKYCITY Hamilton is included within the "Rest of New Zealand" segment in note 27.

14 INTANGIBLE ASSETS (continued)

(b) Key Assumptions used for Value in Use Calculations of Cash Generating Units

	EBITDA margin		Growth rate		Discount rate	
	2012 %	2011 %	**2012 %**	2011 %	**2012 %**	2011 %
SKYCITY Hamilton	**41.8**	42.6	**2.0**	2.0	**10.0**	10.0
SKYCITY Darwin	**29.4**	30.5	**4.7**	3.0	**10.0**	10.0

These assumptions are consistent with past experience adjusted for economic indicators. The discount rates are post-tax and reflect specific risks relating to the relevant operating segment.

The company does not expect a reasonably possible change in key assumptions would reduce recoverable amount below carrying amount.

15 INVESTMENTS IN ASSOCIATES

Carrying Amounts

Information relating to associates is set out below.

Name of company	Principal activities	Ownership interest		Consolidated		Parent	
		2012 %	2011 %	**2012 $'000**	2011 $'000	**2012 $'000**	2011 $'000
Christchurch Casinos Limited Group	Casino operator	**50.0**	50.0	**75,266**	73,782	**-**	-
				75,266	73,782	**-**	-

Christchurch Casinos Limited Group (CCL) is incorporated in New Zealand and has a 31 March balance date.

Following the Canterbury earthquakes in the prior year, a value in use impairment test was completed on the Group's investment in Christchurch Casinos resulting in a $15 million impairment. The underlying assumptions used included an initial drop in earnings, returning to 2010 levels by 2014, a discount rate of 10% (post tax) and a terminal growth rate of 2.3%.

No adjustment has been made to the impairment charge in the current year. Increasing the underlying assumed growth rate by 5% would result in a $4.8 million reduction or increase in the current carrying value.

15 INVESTMENTS IN ASSOCIATES (continued)

(a) Movements in carrying amounts

	Consolidated	
	2012	2011
	$'000	$'000
Balance at the beginning of the year	**73,782**	83,549
Share of profits after income tax	**5,447**	5,976
Dividends received/receivable	**(3,963)**	(743)
Impairment	**-**	(15,000)
Balance at 30 June	**75,266**	73,782

(b) Impairment losses recognised in profit or loss

Impairment losses in associates accounted for using the equity method in the income statement	**-**	15,000
	-	15,000

(c) Summarised financial information of associates

	Group's share of:			
	Assets	**Liabilities**	**Revenues**	**Profit**
	$'000	**$'000**	**$'000**	**$'000**
2012				
Christchurch Casinos Limited Group	14,428	1,982	18,570	4,200
	14,428	1,982	18,570	4,200
2011				
Christchurch Casinos Limited Group	14,852	1,691	14,867	3,269
	14,852	1,691	14,867	3,269

The above are based on SKYCITY's direct equity interest in Christchurch Casinos Limited of 33.3% (2011: 33.3%).

16 PAYABLES

	Consolidated		Parent	
	2012	2011	**2012**	2011
	$'000	$'000	**$'000**	$'000
Trade payables	**18,034**	31,044	**-**	-
Deferred income	**3,520**	3,097	**-**	-
Accrued expenses	**42,144**	39,805	**7,025**	5,480
Employee benefits	**43,488**	36,905	**-**	-
Amounts due to subsidiaries (note 30)	**-**	-	**337,743**	245,517
	107,186	110,851	**344,768**	250,997

17 CURRENT LIABILITIES - INTEREST BEARING LIABILITIES

	Consolidated		Parent	
	2012	2011	**2012**	2011
	$'000	$'000	**$'000**	$'000
Unsecured				
United States Private Placement (USPP)	**-**	247,267	**-**	-
Total unsecured current interest bearing borrowings	**-**	247,267	**-**	-

Fair value disclosures

Details of the fair value of interest bearing liabilities for the Group are set out in note 18.

18 NON-CURRENT LIABILITIES - INTEREST BEARING LIABILITIES

	Consolidated		Parent	
	2012	2011	**2012**	2011
	$'000	$'000	**$'000**	$'000

Refer to (note 17) for details of current portions of these liabilities.

Unsecured				
United States Private Placement (USPP)	**365,848**	350,202	**-**	-
Syndicated bank facility	**240,627**	-	**-**	-
Deferred funding expenses	**(1,573)**	-	**-**	-
Total unsecured non-current interest bearing borrowings	**604,902**	350,202	**-**	-

In 2011 a gain of $1,620,000 resulted from a reorganisation of funding structures and refinancing of SKYCITY ACES with USPP.

(a) United States Private Placement (USPP)

On 15 March 2005 SKYCITY borrowed NZ$96,571,000, A$74,900,000 and US$274,500,000 with maturities between 2012 and 2020 from private investors (primarily US based) on an unsecured basis.

The USPP fixed rate US dollar borrowings have been converted to New Zealand dollar floating rate borrowings by use of cross currency interest rate swaps to eliminate foreign exchange exposure within the Income Statement.

In March 2011, additional US$175,000,000 of USPP debt was raised, US$100,000,000 with 10 year maturity and US$75,000,000 with 7 years.

In March 2012 USPP borrowings of US$85,000,000, A$74,900,000 and NZ$47,275,000 matured and were repaid.

Other movements in the USPP from 30 June 2011 relate to foreign exchange movements.

The offsetting value of the cross currency interest rate swaps are included within derivative financial instruments in note 12.

(b) Syndicated Bank Facility

At 30 June 2012, SKYCITY had in place a NZ$485,000,000 revolving credit (2011: NZ$400,000,000) and Australian $75,000,000 term (2011: nil) facility on an unsecured, negative pledge basis in two tranches of NZ$200,000,000 each maturing January 2015 and June 2016, and two tranches maturing March 2019 of NZ$85,000,000 and Australian $75,000,000 . The funding syndicate is comprised of ANZ National Bank Limited, Bank of New Zealand Limited, Commonwealth Bank of Australia and Westpac New Zealand Limited.

The facility is a revolving credit facility with the exception of the Australian $75,000,000 tranche which is a term loan.

18 NON-CURRENT LIABILITIES - INTEREST BEARING LIABILITIES (continued)

(c) Fair values

Fair value of long term fixed rate USPP debt is estimated at $341 million (2011: $424 million) compared to a carrying value of $317 million (2011: $404 million). Fair value has been calculated based on the present value of future principal and interest cash flows, using market interest rates and credit margins at balance date.

The carrying value of floating rate debt approximates its fair value.

19 SUBORDINATED DEBT - CAPITAL NOTES

	Consolidated		Parent	
	2012	2011	**2012**	2011
	$'000	$'000	**$'000**	$'000
Balance at the beginning of the year	**56,451**	47,043	**56,451**	47,043
Issued/(matured) during the year	**-**	9,408	**-**	9,408
Balance at the end of the year	**56,451**	56,451	**56,451**	56,451
Deferred expense	**37**	51	**37**	51
Net capital notes at the end of the year	**56,414**	56,400	**56,414**	56,400

In May 2010, the capital notes were renewed for a new term of five years to 15 May 2015. The notes were reissued on the same terms and conditions except at a lower interest rate of 7.25% (previously 8.0%).

In October 2010, 9,408,000 capital notes were sold from treasury stock.

Prior to the next election date (15 May 2015), the company will notify holders of the proportion of their capital notes it will redeem (if any) and, if applicable, the new conditions (including as to interest rate, interest dates, new election date, and other modifications to the existing conditions) that will apply to the capital notes from the election date. Holders may then choose either to retain some or all of their capital notes on the new terms, and/or to convert some or all of their capital notes into SKYCITY ordinary shares. The company may elect to redeem or purchase some or all of the capital notes that holders have elected to convert, at an amount equal to the principal amount plus any accrued but unpaid interest.

If capital notes are converted, holders will receive ordinary shares equal in value to the aggregate of the principal amount of the notes plus any accrued but unpaid interest. The value of the shares is determined on the basis of 95% of the weighted average sale price of a SKYCITY ordinary share on the New Zealand stock exchange during the 15 trading days prior to the election dates.

The capital notes do not carry voting rights. Capital noteholders are not entitled to any distributions made by SKYCITY in respect of its ordinary shares prior to the conversion date of the capital notes and do not participate in any change in value of SKYCITY's issued shares.

As at 30 June 2012, there were 150,000,000 (2011: 150,000,000) capital notes on issue, of which 93,549,000 (2011: 93,549,000) are held as treasury stock by the company.

The capital notes are listed on the NZX. As at 30 June 2012 the closing price was $1.0425 per $1 note (2011: $1.0182). The capital notes are carried at amortised cost.

20 DEFERRED TAX LIABILITIES

	Consolidated		Parent	
	2012	2011	**2012**	2011
	$'000	$'000	**$'000**	$'000
The balance comprises temporary differences attributable to:				
Prepayments and receivables	**529**	47	**-**	-
Provision and accruals	**(14,174)**	(9,799)	**-**	-
Depreciation	**97,622**	96,231	**-**	-
Foreign exchange differences	**6,903**	14,378	**-**	-
Tax losses	**(1,486)**	(2,263)	**-**	-
Other	**605**	613	**-**	-
Cash flow hedges	**(5,428)**	(4,917)	**-**	-
Net deferred tax liabilities	**84,571**	94,290	**-**	-
Movements:				
Balance at the beginning of the year	**94,290**	95,347	**-**	-
(Credited)/charged to the Income Statement (note 7)	**(9,214)**	8,656	**-**	-
Debited to equity reserves	**(360)**	(4,133)	**-**	-
Change in New Zealand corporate tax rate and building depreciation (note 7)	**-**	(5,435)	**-**	-
Foreign exchange differences	**(145)**	(145)	**-**	-
Closing balance at 30 June	**84,571**	94,290	**-**	-
Within 12 months	**(15,512)**	(8,979)	**-**	-
In excess of 12 months	**100,083**	103,269	**-**	-
	84,571	94,290	**-**	-

The Group has not recognised deferred tax assets of $1.3 million (2011: $1.6 million) in respect of losses that can be carried forward against future taxable income.

21 IMPUTATION CREDITS (New Zealand)

	Consolidated	
	2012	2011
	$'000	$'000
Balance at the beginning of the year	**(7,708)**	(6,260)
Tax payments, net of refunds	**26,284**	32,327
Credits attached to dividends paid	**(18,069)**	(33,797)
Credits attached to dividends received	**1,672**	22
Balance at end of year	**2,179**	(7,708)
Imputation credits available directly and indirectly to shareholders of the parent company, through:		
Parent company	**2,179**	(7,708)
Subsidiaries	**-**	-
Balance at end of year	**2,179**	(7,708)

As required by relevant tax legislation, the imputation credit account had a credit balance as at 31 March 2012.

22 SHARE CAPITAL

	2012	2011	**2012**	2011
	Shares	Shares	**$'000**	$'000
Opening balance of ordinary shares issued	**576,958,340**	575,114,687	**728,616**	732,910
Share rights issued for employee services	**-**	-	**1,426**	1,047
Employee share entitlements issued	**674,251**	275,034	**-**	-
Treasury shares issued	**(2,092,762)**	(275,034)	**-**	-
Net purchase of treasury shares	**-**	-	**(7,180)**	(11,442)
Shares issued under dividend reinvestment plan	**1,418,511**	1,843,653	**4,736**	6,101
	576,958,340	576,958,340	**727,598**	728,616

All ordinary shares rank equally with one vote attached to each fully-paid ordinary share.

Included within the number of shares is treasury shares 4,517,313 (2011: 4,351,766) held by the company. The movement in treasury shares during the year related to the issuance of shares under the employee incentive plans and purchases of shares by an external trustee as part of the new executive long term incentive plan (refer note 28). Treasury shares may be used to issue shares under the company's employee incentive plans or upon the exercise of share rights/options.

23 RESERVES AND RETAINED PROFITS/(LOSSES)

	Consolidated		Parent	
	2012	2011	**2012**	2011
	$'000	$'000	**$'000**	$'000
(a) Reserves				
Hedging reserve - cash flow hedges	**(13,355)**	(12,340)	**-**	(427)
Foreign currency translation reserve	**11,505**	16,022	**-**	-
	(1,850)	3,682	**-**	(427)

	Consolidated		Parent	
	2012	2011	**2012**	2011
	$'000	$'000	**$'000**	$'000
Hedging reserve - cash flow hedges				
Balance at the beginning of the year	**(12,340)**	(2,740)	**(427)**	-
Revaluation	**16,635**	(77,025)	**-**	(593)
Transfer to net profit	**(18,010)**	63,292	**593**	-
Deferred tax	**360**	4,133	**(166)**	166
Balance 30 June	**(13,355)**	(12,340)	**-**	(427)

	Consolidated		Parent	
	2012	2011	**2012**	2011
	$'000	$'000	**$'000**	$'000
Foreign currency translation reserve				
Balance at the beginning of the year	**16,022**	10,625	**-**	-
Exchange difference on translation of overseas subsidiaries	**(4,517)**	5,397	**-**	-
Balance 30 June	**11,505**	16,022	**-**	-

(i) *Hedging Reserve - Cash Flow Hedges*

The hedging reserve is used to record gains or losses on a hedging instrument in a cash flow hedge that are recognised directly in equity, as described in note 2(n). Amounts are recognised in the Income Statement when the associated hedged transaction affects the Income Statement.

(ii) *Foreign Currency Translation Reserve*

Exchange differences arising on translation of foreign controlled entities are taken to the foreign currency translation reserve, as described in note 2(d). The reserve is recognised in the Income Statement when the net investment is disposed of.

(b) Retained Profit/(Losses)

Movements in retained profits were as follows:

	Consolidated		Parent	
	2012	2011	**2012**	2011
	$'000	$'000	**$'000**	$'000
Balance at the beginning of the year	**41,150**	17,397	**(311,797)**	(276,070)
Profit attributable to shareholders of the company	**138,534**	122,960	**70,979**	63,480
Dividends	**(97,994)**	(99,207)	**(97,994)**	(99,207)
Balance at the end of the year	**81,690**	41,150	**(338,812)**	(311,797)

24 NON CONTROLLING INTEREST

	Consolidated	
	2012	2011
	$'000	$'000
Balance at the beginning of the year	**1,368**	1,325
Share of surpluses/(deficit) of subsidiaries	**336**	43
Balance at the end of the year	**1,704**	1,368

The non controlling interest relates to the 40% of Queenstown Casinos Limited which is not owned by SKYCITY.

25 DIVIDENDS

	Consolidated		Parent	
	2012	2011	**2012**	2011
	$'000	$'000	**$'000**	$'000
Prior year final dividend	**46,079**	53,198	**46,079**	53,198
Current year interim dividend	**51,915**	46,009	**51,915**	46,009
Total dividends provided for or paid	**97,994**	99,207	**97,994**	99,207
Prior year final dividend (per share)	**8.00¢**	9.25¢	**8.00¢**	9.25¢
Current year interim dividend (per share)	**9.00¢**	8.00¢	**9.00¢**	8.00¢

On 14 August 2012, the directors resolved to declare a final dividend of 8 cents per share in respect of the year ended 30 June 2012 (refer to note 34 for further details).

26 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risks (interest rate, currency and electricity price), liquidity risk, and credit risk. The Group's overall risk management programme recognises the nature of these risks and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by a central treasury department under a formal Treasury Policy approved annually by the board of directors. Treasury policy sets out written principles for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess funds. The Treasury Policy sets conservative limits for allowable risk exposures which are formally reviewed at least annually.

(a) Market Risk

(i) Currency Risk

The Group operates internationally and is exposed to currency risk, primarily with respect to Australian and US dollars. Exposure to the Australian dollar arises from the Group's net investment in its Australian operations. Exposure to the US dollar arises from funding denominated in that currency.

The Group utilises natural hedges wherever possible (i.e. Australian dollar funding is used to partially hedge the net investment in Australian operations) with forward foreign exchange contracts used to manage any significant residual risk to the Income Statement.

The Group's exposure to the US dollar (refer to US dollar US Private Placement debt detailed in notes 17 and 18) has been fully hedged by way of cross-currency interest rate swaps (CCIRS), hedging US dollar exposure on both principal and interest. The CCIRS correspond in amount and maturity to the US dollar borrowings with no residual US dollar exposure.

Movement in exchange rates will have very limited impact on the parent accounts as there are minimal currency exposures in that entity.

(ii) Interest Rate Risk

The Group's interest rate exposures arise from long-term borrowings.

Interest rate swaps (IRS) and CCIRS are utilised to modify the interest repricing profile of the Group's debt to match the profile required by Treasury Policy. All IRS and CCIRS are in designated hedging relationships that are highly effective.

As the Group has no significant interest-bearing assets, the Group's revenue is substantially independent of changes in market interest rates.

The following table sets out the Group's exposure to interest rate risk, including the contractual repricing dates and the effective weighted average interest rate.

		Principal - Interest Rate Repricing						
2012		1 year or less	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	Total
	%	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cash and deposits	2.50	2,538	-	-	-	-	-	2,538
Advance to Christchurch Hotels	2.90	5,125	-	-	-	-	-	5,125
Bank facility	4.99	(240,627)	-	-	-	-	-	(240,627)
US Private Placement	5.06	(49,296)	-	(59,751)	-	(34,325)	(222,476)	(365,848)
Capital notes (NZ)	7.25	-	-	(56,451)	-	-	-	(56,451)
IRS/CCIRS*		80,153	(31,876)	(4,599)	(35,500)	(3,675)	(4,503)	-
		(202,107)	(31,876)	(120,801)	(35,500)	(38,000)	(226,979)	(655,263)
Weighted average debt interest rate	6.97%							

26 FINANCIAL RISK MANAGEMENT (continued)

2011		Principal - Interest Rate Repricing						
		1 year or less	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	Total
	%	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cash and deposits	2.50	55,690	-	-	-	-	-	55,690
Advance to Christchurch Hotels	2.68	6,235	-	-	-	-	-	6,235
US Private Placement	4.82	(296,563)	-	-	(56,798)	-	(244,108)	(597,469)
Capital notes (NZ)	7.25	-	-	-	(56,451)	-	-	(56,451)
IRS/CCIRS *		98,278	(32,300)	-	(7,552)	(35,840)	(22,586)	-
		(136,360)	(32,300)	-	(120,801)	(35,840)	(266,694)	(591,995)
Weighted average debt interest rate	7.36%							

* Interest rate swaps and cross-currency interest rate swaps, notional principal amounts.

For both 2012 and 2011 capital notes are the only interest-bearing debt within the parent entity. The parent had no derivatives as at 30 June 2012 (2011: forward foreign exchange contract with fair value of negative $113,000).

(iii) Summarised sensitivity analysis

The following table summarises the sensitivity of the Group's financial assets and financial liabilities to interest rate risk and foreign exchange risk. The sensitivity analysis considers reasonably possible changes in each risk with all other variables held constant, taking into account all underlying exposures and related hedges at the reporting date. The impact calculated is based on a full year impact of each change. Sensitivities have been selected based on the current level of interest rates and exchange rates, volatility observed on an historical basis and market expectations for future movements.

Consolidated	Interest rate risk				Foreign exchange risk			
	-100bps		+100bps		-5%		+5%	
30 June 2012	Profit $'000	Equity $'000	Profit $'000	Equity $'000	Profit $'000	Equity $'000	Profit $'000	Equity $'000
NZD/AUD movements	-	-	-	-	78	17,951	(86)	(16,241)
NZ interest rate movement	1,331	(8,634)	(1,331)	8,274	-	-	-	-
Australian interest rate movement	246	(7,325)	(246)	6,816	-	-	-	-
Total increase/ (decrease)	1,577	(15,959)	(1,577)	15,090	78	17,951	(86)	(16,241)

	Interest rate risk				Foreign exchange risk			
	-100bps		+100bps		-5%		+5%	
30 June 2011	Profit $'000	Equity $'000	Profit $'000	Equity $'000	Profit $'000	Equity $'000	Profit $'000	Equity $'000
NZD/AUD movements	-	-	-	-	558	10,030	(505)	(9,075)
NZ interest rate movement	645	(10,207)	(645)	9,685	-	-	-	-
Australian interest rate movement	80	(7,086)	(80)	6,586	-	-	-	-
Total increase/ (decrease)	725	(17,293)	(725)	16,271	558	10,030	(505)	(9,075)

26 FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its financial obligations. SKYCITY is largely a cash-based business and its material credit risks arise mainly from financial instruments utilised in funding and International Business play.

Financial instruments (other than International Business discussed below) that potentially create a credit exposure can only be entered into with counterparties that are explicitly approved by the board. Maximum credit limits for each of these parties are approved on the basis of long-term credit rating (Standard and Poor's or Moody's). A minimum long-term rating of A+ (S&P) or A1 (Moody's) is required to approve individual counterparties.

The maximum credit risk of any financial instrument at any time is the fair value where that instrument is an asset. All derivatives are carried at fair value in the balance sheet. Trade receivables are presented net of an allowance for estimated doubtful receivables.

International players are managed in accordance with accepted industry practise. Settlement risk associated with international players is minimised through credit checking and a formal review and approval process.

There are no significant concentrations of credit risk in the Group.

(c) Liquidity risk

Liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of unutilised committed credit facilities. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and maintaining flexibility in funding by keeping committed credit lines available with a variety of counterparties and maturities.

Maturities of Committed Funding Facilities

The tables below analyse the Group's maturity profile of committed funding. The bank facility revolving credit tranches of NZ$485 million (2011: NZ$400 million) were drawn down by NZ$145,000,000 as at 30 June 2012 (2011: nil drawn down). The bank facility term tranche of A$75 million was fully drawn.

Consolidated - At 30 June 2012	Less than 6 months	6 - 12 months	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years	Total facility
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Bank facility	-	-	-	200,000	200,000	180,627	580,627
Capital notes	-	-	-	56,451	-	-	56,451
US Private Placement	-	-	-	87,920	34,325	243,603	365,848
Total debt facilities	-	-	-	344,371	234,325	424,230	1,002,926
Payables	60,178	-	-	-	-	-	60,178
Total drawn debt	-	-	-	289,371	34,325	339,230	662,926
Future contracted interest on drawn debt	15,350	14,576	29,152	27,342	40,715	42,495	169,630
Future contracted interest on CCIRS/IRS	5,997	5,878	11,621	10,849	16,331	17,399	68,075

26 FINANCIAL RISK MANAGEMENT (continued)

Consolidated - At 30 June 2011	Less than 6 months	6 - 12 months	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years	Total facility
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Bank facility	-	-	-	200,000	200,000	-	400,000
Capital notes	-	-	-	-	56,451	-	56,451
US Private Placement	-	247,267	-	-	84,967	265,235	597,469
Total debt facilities	-	247,267	-	200,000	341,418	265,235	1,053,920
Payables	73,669	-	-	-	-	-	73,669
Total drawn debt	-	247,267	-	-	141,418	265,235	653,920
Future contracted interest on drawn debt	17,775	13,951	22,567	22,567	35,032	44,901	156,793
Future contracted interest on CCIRS/IRS	8,063	6,952	12,340	12,232	20,686	28,146	88,419

(d) Fair value estimation

The table below analyses for financial instruments that are measured in the balance sheet at fair value by level of the fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

Consolidated - At 30 June 2012	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**	**Total balance $'000**
Assets				
Financial assets at fair value through profit or loss				
– Forward foreign currency contracts	-	480	-	480
Derivatives used for hedging	-	23,154	-	23,154
Total assets	-	23,634	-	23,634
Liabilities				
Financial liabilities at fair value through profit or loss				
– Forward foreign currency contracts	-	145	-	145
Derivatives used for hedging	-	45,934	-	45,934
Total liabilities	-	46,079	-	46,079

Consolidated - At 30 June 2011	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**	**Total balance $'000**
Assets				
Financial assets at fair value through profit or loss				
– Forward foreign currency contracts	-	272	-	272
Total assets	-	272	-	272
Liabilities				
Financial liabilities at fair value through profit or loss				
– Forward foreign currency contracts	-	113	-	113
Derivatives used for hedging	-	43,382	-	43,382
Total liabilities	-	43,495	-	43,495

Further details on derivatives is provided in note 12.

26 FINANCIAL RISK MANAGEMENT (continued)

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Specific valuation techniques used to value financial instruments include:

- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.

- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value

- Other techniques, such as discounted cash flow analyses, are used to determine fair value for the remaining financial instruments.

At year end the parent company has no derivatives (2011: $113,000 liability).

(e) Financial instruments by category

	Loans and Receivables $'000	Assets / (Liabilities) at fair value through the Income Statement $'000	Derivatives used for Hedging $'000	Liabilities at Amortised Cost $'000
Consolidated				
At 30 June 2012				
Cash and bank balances	41,400	-	-	-
Trade receivables	13,551	-	-	-
Advance to Christchurch Hotels Limited	5,125	-	-	-
Sundry receivables	4,864	-	-	-
Derivative financial instruments (net)	-	335	(22,780)	-
Interest-bearing liabilities	-	-	-	(604,902)
Capital notes	-	-	-	(56,414)
Payables	-	-	-	(60,178)
	64,940	335	(22,780)	(721,494)
At 30 June 2011				
Cash and bank balances	104,577	-	-	-
Trade receivables	9,288	-	-	-
Advance to Christchurch Hotels Limited	6,235	-	-	-
Sundry receivables	11,244	-	-	-
Derivative financial instruments (net)	-	159	(43,382)	-
Interest-bearing liabilities	-	-	-	(597,469)
Capital notes	-	-	-	(56,400)
Payables	-	-	-	(70,849)
	131,344	159	(43,382)	(724,718)

26 Financial risk management (continued)

(f) Capital Risk Management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern and to maximise returns for shareholders and benefits for other stakeholders over the long term.

In order to optimise its capital structure, the Group manages actual and forecast operational cash flows, capital expenditure and equity distributions.

The Group primarily manages capital on the basis of gearing ratios measured on the basis of net debt to EBITDA (Earnings before Interest, Tax, Depreciation and Amortisation) and interest coverage (EBITDA relative to net interest cost).

The primary ratios were as follows at 30 June

	2012	2011
Gearing ratio	**2.1 x**	2.0 x
Interest coverage	**6.3 x**	6.2 x

These types of ratios are consistent with the financial covenants in the Group's various funding facilities. Actual gearing as at 30 June 2012 was within covenant limits on funding facilities.

Although the New Zealand capital notes include the right for SKYCITY to convert them to equity they are treated as debt for capital management and financial reporting purposes.

The Group does not have any externally-imposed capital requirements.

27 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Chief Executive Officer/Managing Director that are used to assess performance and allocate resources.

The Group is organised into the following main operating segments:

SKYCITY Auckland
SKYCITY Auckland includes casino operations, hotels and convention, food and beverage, carparking and Sky Tower and a number of other related activities.

Rest of New Zealand
Rest of New Zealand includes the Group's interest in SKYCITY Hamilton, SKYCITY Queenstown Casino and Christchurch Casino.

SKYCITY Adelaide
SKYCITY Adelaide includes casino operations and food and beverage.

SKYCITY Darwin
SKYCITY Darwin includes casino operations, food and beverage and hotel.

International Business
International Business includes commission and complimentary play. The international business segment is made up of customers sourced mainly from Asia, and the rest of the world. The revenue is generated at SKYCITY's Auckland, Darwin, Adelaide and Queenstown locations.

Corporate / Group

Head office functions including legal and regulatory, group finance, human resources and information technology, the Chief Executive's office and directors.

27 SEGMENT INFORMATION (continued)

2012	SKYCITY AUCKLAND $'000	REST OF NEW ZEALAND $'000	SKYCITY ADELAIDE $'000	SKYCITY DARWIN $'000	INTER - NATIONAL BUSINESS $'000	CORPORATE / GROUP $'000	TOTAL $'000
Revenue from external customers and other income	433,648	53,929	182,043	140,021	43,817	-	853,458
Shares of net profits of associates	-	5,447	-	-	-	-	5,447
Less							
Expenses	(228,335)	(30,609)	(137,182)	(95,275)	(35,294)	(31,747)	(558,442)
Depreciation and amortisation	(39,868)	(5,284)	(10,678)	(11,358)	-	(5,582)	(72,770)
Segment profit/EBIT	165,445	23,483	34,183	33,388	8,523	(37,329)	227,693
Finance costs							(48,861)
Profit before income tax							178,832
Segment assets	720,271	136,039	269,973	382,648	-	207,335	1,716,266
Investment in associates	-	75,266	-	-	-	-	75,266
Net additions to non-current assets (other than financial assets and deferred tax)	91,805	5,295	9,749	42,320	-	4,940	154,109

2011	SKYCITY AUCKLAND $'000	REST OF NEW ZEALAND $'000	SKYCITY ADELAIDE $'000	SKYCITY DARWIN $'000	INTER - NATIONAL BUSINESS $'000	CORPORATE / GROUP $'000	TOTAL $'000
Revenue from external customers and other income	396,208	49,652	180,436	136,539	41,571	-	804,406
Shares of net profits of associates	-	5,976	-	-	-	-	5,976
Less							
Expenses	(205,522)	(28,343)	(135,629)	(91,840)	(25,356)	(29,416)	(516,106)
Impairment of Christchurch Casino	-	(15,000)	-	-	-	-	(15,000)
Depreciation and amortisation	(35,089)	(5,619)	(10,976)	(12,030)	-	(5,996)	(69,710)
Segment profit/EBIT	155,597	6,666	33,831	32,669	16,215	(35,412)	209,566
Finance costs							(43,772)
Profit before income tax							165,794
Segment assets	676,827	134,885	290,570	373,840	-	206,549	1,682,671
Investment in associates	-	73,782	-	-	-	-	73,782
Net additions to non-current assets (other than financial assets and deferred tax)	62,036	3,456	7,464	17,552	-	4,140	94,648

27 SEGMENT INFORMATION (continued)

Breakdown of the revenue from all services is as follows:

	Consolidated		Parent	
	2012	2011	**2012**	2011
	$'000	$'000	**$'000**	$'000
Revenue - products and services				
Local gaming	**615,246**	586,480	**-**	-
International business	**43,817**	41,571	**-**	-
Non gaming	**192,467**	175,094	**-**	-
Total revenue	**851,530**	803,145	**-**	-
Revenue - geographic				
New Zealand	**520,081**	479,958	**-**	-
Australia	**331,449**	323,187	**-**	-
Total revenue	**851,530**	803,145	**-**	-
Non-current asset additions - geographic				
New Zealand	**102,040**	69,632	**-**	-
Australia	**52,069**	25,016	**-**	-
Total non-current asset additions	**154,109**	94,648	**-**	-
Non-current assets excluding financial instruments - geographic				
New Zealand	**947,867**	910,978	**-**	-
Australia	**634,012**	611,927	**-**	-
Total non-current assets excluding financial instruments	**1,581,879**	1,522,905	**-**	-

28 SHARE-BASED PAYMENTS

Executive Share Rights Plan 2005

The Executive Share Rights Plan (Rights Plan) was approved by directors in December 2004 and commenced on 1 July 2005. Share rights issued under the Rights Plan are exercisable after the third anniversary of their date of issue provided the terms and conditions of the Plan are met, and lapse if not exercised within five years. The exercise price of the share rights is the base exercise price adjusted for the company's estimated cost of equity and dividends/distributions between the issue date and the exercise date of the rights.

Chief Executive Officer Long Term Incentive Plan 2008

The Chief Executive Officer Long Term Incentive Plan (CEO LTI) was approved by shareholders at the 31 October 2008 Annual Meeting. Share rights are granted under the CEO LTI and (if exercisable) may be exercised at no cost. If exercised each share right corresponds to one fully paid ordinary share in the company. Share rights only become exercisable when performance hurdles set by the board of directors are met.

491,132 rights were issued in the year ended 30 June 2009 of which 152,251 (2011: 275,034) have converted to shares in the current year.

Executive Long Term Incentive Plan 2008

The Executive Long Term Incentive Plan (Executive LTI) was approved by directors in December 2008. Share rights are granted under the Executive LTI and (if exercisable) may be exercised at no cost. If exercised each share right corresponds to one fully paid ordinary share in the company. Share rights only become exercisable when performance hurdles set by the board of directors are met.

Chief Executive Officer and Executive Long Term Incentive Plan 2009

During 2010, the Group implemented a new long term incentive plan for a limited number of senior executives (including the Chief Executive Officer). This plan replaced the share based Chief Executive Officer Long Term Incentive Plan 2008 and the Executive Long Term Incentive Plan 2008.

Under the new plan, executives purchase SKYCITY shares funded by an interest free loan from the Group. The shares purchased by the executives are held by a trustee company with executives entitled to exercise the voting rights attached to the shares and receive dividends, the proceeds of which are used to repay the interest free loan.

At the end of the restricted period (3 to 4 years), the Group will pay a bonus to each executive to the extent their performance targets have been met which is sufficient to repay the initial interest free loan associated with the shares which vest. The shares upon which performance targets have been met will then fully vest to the executives. The loan owing on shares upon which performance targets have not been met (the forfeited shares) will be novated from the executives to the trustee company and will be fully repaid by the transfer of the forfeited shares. Performance targets relate to total shareholder return.

At 30 June 2012 the interest free loan on the CEO Long Term Incentive Plan is $5,582,817 (2011: $5,846,428) and on the Executive Long Term Incentive Plan total $6,996,545 (2011: $5,300,645).

28 SHARE-BASED PAYMENTS (continued)

Movements in the number of share rights outstanding are as follows:

Grant Date	Expiry date	Exercise price	Balance at start of the year Number	Granted during the year Number	Exercised / converted during the year Number	Expired during the year Number	Balance at end of the year Number	Exercisable at end of the year Number
Consolidated and parent - 2012								
04/09/06	04/09/11		333,000	-	-	(333,000)	-	-
01/03/08	01/03/12		216,098	-	(152,251)	(63,847)	-	-
01/07/08	01/07/12		600,000	-	(522,000)	-	78,000	78,000
02/09/09	02/09/13		902,425	-	-	-	902,425	-
31/08/10	31/08/14		1,216,195	-	-	(50,250)	1,165,945	-
02/03/11	02/03/15		1,544,291	-	-	(150,000)	1,394,291	-
31/08/11	31/08/15		-	790,200	-	(30,000)	760,200	-
Total			4,812,009	790,200	(674,251)	(627,097)	4,300,861	78,000
Consolidated and parent - 2011								
05/09/05	05/09/10	$4.81	231,000	-	-	(231,000)	-	-
04/09/06	04/09/11	$5.15	333,000	-	-	-	333,000	333,000
01/03/08	01/03/12		491,132	-	(275,034)	-	216,098	216,098
01/07/08	01/07/12		600,000	-	-	-	600,000	-
02/09/09	02/09/13		960,175	-	-	(57,750)	902,425	-
31/08/10	31/08/14		-	1,266,445	-	(50,250)	1,216,195	-
02/03/11	02/03/15		-	1,544,291	-	-	1,544,291	-
Total			2,615,307	2,810,736	(275,034)	(339,000)	4,812,009	549,098

Exercise price

The rights granted from 2008 onwards do not have an exercise price.

The weighted average remaining contractual life of options and rights outstanding at the end of the period was 2.26 years (2011: 2.55 years).

Fair value of share rights granted
The assessed fair value at grant date of the rights granted 31 August 2011 is $1.17 (31 August 2010 is 96.0 cents).

The valuation inputs for the rights granted 31 August 2011 included:

(a) rights are granted for no consideration

(b) exercise price: nil (2011: nil)

(c) grant date: 31 August 2011 (2011: 31 August 2010)

(d) expiry date: 31 August 2015 (2011: 31 August 2014)

(e) share price at valuation date $3.42 (2011: $2.87)

The expected price volatility is derived by analysing the historic volatility over a recent historical period similar to the term of the right.

28 SHARE-BASED PAYMENTS (continued)

The assessed fair value at grant date of the rights granted 2 March 2011 is $1.11.

The valuation inputs for the rights granted 2 March 2011 included:

(a) rights are granted for no consideration

(b) exercise price: nil

(c) grant date: 2 March 2011

(d) expiry date: 2 March 2015

(e) share price at valuation date: $3.34

The expected price volatility is derived by analysing the historic volatility over a recent historical period similar to the term of the right.

Expenses arising from Share-Based Payment Transactions

Total expenses arising from share-based payment transactions recognised during the period as part of employee benefit expense were as below.

	Consolidated		Parent	
	2012	2011	**2012**	2011
	$'000	$'000	**$'000**	$'000
Rights issued under Share Rights Plans	**1,426**	1,047	**1,426**	1,047
	1,426	1,047	**1,426**	1,047

29 RELATED PARTY TRANSACTIONS

There are no bad or doubtful debts associated with any related party of the Group or parent entity (2011: nil).

(a) Key Management and Personnel Compensation

Key management compensation for the years ended 30 June 2012 and 2011 is set out below. The key management personnel are all the directors of the company, the Chief Executive Officer and the direct reports to the Chief Executive Officer.

	Short-term benefits $'000	Share-based payments $'000	Total $'000
2012	**10,532**	**1,192**	**11,724**
2011	8,242	835	9,077

(b) Other transactions with key management personnel or entities related to them

Information on transactions with key management personnel or entities related to them, other than compensation, are set out below.

Certain directors have relevant interests in a number of companies with which SKYCITY has transactions in the normal course of business. A number of SKYCITY directors are also non-executive directors of other companies. Any transactions undertaken with these entities have been entered into on an arms-length commercial basis.

29 RELATED PARTY TRANSACTIONS (continued)

(c) Subsidiaries

Interests in subsidiaries are set out in note 30.

(d) Parent

The majority of the parent entity's transactions are with its subsidiaries including the payment of dividends of $110.2 million (2011: $100.1 million) and provision of employee services of $22.1 million (2011: $18.5 million) on normal commercial terms.

Advances to and from subsidiaries are repayable on demand and are on normal commercial terms within a group and are disclosed in the relevant asset or liability note.

(e) Associates

The Group has loaned Christchurch Hotels Limited $5,125,251 (2011: $6,235,251) as set out in note 10 on normal commercial terms.

30 SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2(b):

All wholly-owned subsidiary companies and significant partly-owned subsidiaries have balance dates of 30 June.

Name of entity	**Country of incorporation**	**Class of shares**	**Equity holding**	
			2012 %	2011 %
Queenstown Casinos Limited	New Zealand	Ordinary	**60**	60
SKYCITY Action Management Limited	New Zealand	Ordinary	**100**	100
SKYCITY Auckland Holdings Limited	New Zealand	Ordinary	**100**	100
SKYCITY Auckland Limited	New Zealand	Ordinary	**100**	100
SKYCITY Casino Management Limited	New Zealand	Ordinary	**100**	100
SKYCITY Hamilton Limited	New Zealand	Ordinary	**100**	100
SKYCITY International Holdings Limited	New Zealand	Ordinary	**100**	100
SKYCITY Investments Australia Limited	New Zealand	Ordinary	**100**	100
SKYCITY Investments Christchurch Limited	New Zealand	Ordinary	**100**	100
SKYCITY Investments Queenstown Limited	New Zealand	Ordinary	**100**	100
SKYCITY Management Limited	New Zealand	Ordinary	**100**	100
SKYCITY Metro Limited	New Zealand	Ordinary	**100**	100
SKYCITY Wellington Limited	New Zealand	Ordinary	**100**	100
Sky Tower Limited	New Zealand	Ordinary	**100**	100
Toptown Nominees Limited	New Zealand	Ordinary	**100**	100
SKYCITY Adelaide Pty Limited	Australia	Ordinary	**100**	100
SKYCITY Australia Finance Pty Limited	Australia	Ordinary	**100**	100
SKYCITY Australia Limited Partnership	Australia	Ordinary	**100**	100
SKYCITY Australia Pty Limited	Australia	Ordinary	**100**	100
SKYCITY Australia Treasury Pty Limited	Australia	Ordinary	**100**	100
SKYCITY Darwin Pty Limited	Australia	Ordinary	**100**	100

31 CONTINGENCIES

There are no significant contingences at year end (2011: nil).

32 COMMITMENTS

Capital Commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities is as set out below.

	Consolidated		Parent	
	2012	2011	**2012**	2011
	$'000	$'000	**$'000**	$'000
Property, plant and equipment	**27,268**	59,695	**-**	-

Operating Lease Commitments

The Group leases various offices and other premises under non-cancellable operating leases. These leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

	Consolidated		Parent	
	2012	2011	**2012**	2011
	$'000	$'000	**$'000**	$'000
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:				
Within one year	**6,974**	5,482	**-**	-
Later than one year but not later than five years	**18,074**	13,419	**-**	-
Later than five years	**322,136**	318,673	**-**	-
Commitments not recognised in the financial statements	**347,184**	337,574	**-**	-

The above operating lease summary includes a large number of leases, the most significant of which are:

SKYCITY Auckland - Hobson and Federal Streets sub soil lease. This lease is for a period of 999 years from 31 January 1996 with rent reviews every five years.

SKYCITY Adelaide - Casino building lease. The initial lease term is until 3 March 2025 with 3 further rights of renewal for 20 years each and annual rent reviews.

33 RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Consolidated		Parent	
	2012 $'000	2011 $'000	**2012 $'000**	2011 $'000
Profit for the year	**138,534**	122,960	**70,979**	63,480
Non-controlling interest	**336**	43	**-**	-
Depreciation and amortisation	**72,770**	69,710	**5,561**	5,958
Finance costs net	**48,861**	43,772	**4,149**	3,908
Current period employee share entitlement	**-**	-	**-**	-
Current period share options expense	**1,426**	1,047	**1,426**	1,047
Gain on sale of fixed assets	**(1,756)**	(1,065)	**-**	-
Dividend from subsidiary	**-**	-	**(110,178)**	(100,133)
Impairment of Christchurch Casino	**-**	15,000	**-**	-
Share of profits of associates not received as dividends	**(1,484)**	(5,233)	**-**	-
Change in operating assets and liabilities				
Decrease/(increase) in receivables and prepayments	**3,928**	(7,720)	**(66,253)**	7,621
Decrease/(increase) in inventories	**94**	192	**-**	-
(Decrease)/increase in payables and accruals	**(3,666)**	9,052	**91,708**	20,779
(Decrease)/increase in deferred tax liability	**(9,719)**	(1,057)	**-**	-
(Increase) in tax receivable	**(4)**	(22,781)	**-**	-
Capital items included in working capital movements	**12,423**	(14,555)	**-**	-
Subsidiary funding transactions	**-**	-	**(23,177)**	(28,864)
Net cash inflow from operating activities	**261,743**	209,365	**(25,785)**	(26,204)

34 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

Dividend

On 15 August 2012, the directors resolved to provide for a final dividend to be paid in respect of the year ended 30 June 2012. The partially (60%) imputed, partially franked (60%) dividend of 8 cents per share will be paid on 5 October 2012 to all shareholders on the company's register at the close of business on 28 September 2012.

MEDIA RELEASE
15 August 2012

Growth in International, Capital investment in Auckland and RWC delivers Strong Result for SKYCITY

SKYCITY Entertainment Group (NZX:SKC) today announced its results for the full year ended 30 June 2012, delivering a strong result, with Normalised Net Profit after Tax of $141.4m, up 8.0% and Reported Net Profit after Tax of $138.5m up 12.6%.

Highlights of the 12 months ended 30 June 2012

- Net Profit after Tax $141.4m, up 8.0%
- Group Revenues $950.7m, up 8.4%
- Auckland Revenues $527.4m, up 14.4%
- Strong Growth in Auckland International Business Revenues $50.7m, up 95%
- Group EBITDA $310.6m, up 6.8%
- $50m investment in Auckland delivering solid returns and underpinning good growth
- New Darwin Lagoon Resort opens with acclaim and positive outlook
- Normalised Earnings per share 24.5cps, up 1.8 cps (up 8%)
- Final dividend of 8 cents per share announced (full year dividend 17 cents per share)

Note: All above figures as "normalised".

SKYCITY Chief Executive Officer, Nigel Morrison says he is pleased with the full year result, particularly the growth in the core Auckland business, International Business, Hamilton and the return to growth of Darwin.

"The 2012 Financial Year is a strong result for SKYCITY, with normalised revenues of $950.7m, up $73.7 million (+8.4%). Normalised NPAT and EPS both increased by 8.0% over last year.

"Our flagship Auckland property, with normalised revenues of $527.4m, delivered revenue growth of $66.2m (+14.4%), with growth across all segments of the business, of which we attribute $10.7m to the Rugby World Cup. This encouraging Auckland result is underpinned by the strong opening of "*Horizon*", our new international gaming suites and salons and "*EIGHT*" our new VIP table games precinct, together with the other capital enhancements completed in September last year. There is no doubt the outstanding success of our new

Federal Street award-winning restaurants "*The Grill"* by Sean Connelly and "*Depot*", by Al Brown has been a highlight of the year. Our revenues in Auckland grew by 14% in the second half, from $226m to $259m with 65% of the growth (some $20m) coming from our international business and with our food and beverage revenues growing by 25% in the second half.

"Delivering $50.7m in international revenues in Auckland, up from $26.0m (up 95%) last year, shows the positive impact of our new "*Horizon"* suites and gaming salons, which opened in July 2011, with the momentum strengthening in the second half. Our international business in Auckland has trebled since FY10. The international gaming clientele who visit us from China, Hong Kong, Singapore, Thailand and Malaysia bring valuable export income to Auckland and New Zealand. They visit attractions around Auckland, Rotorua and Queenstown, demonstrating the further potential of New Zealand as an international tourist destination to high-spending Chinese and South East Asian tourists."

"The success of "Depot" by Al Brown and "The Grill" by Sean Connelly and the many awards and recognition they have both received, has been overwhelming and a tribute to the vision of these two great chefs. We will shortly be announcing our plans for the opening of new a Japanese Robata styled restaurant in Federal St with award winning international NZ Chef Nic Watt of Roca and Zuma fame. We hope that the Auckland Council will in the near term approve our investment of $10 million into Federal Street so we can get on and transform it into one of the great pedestrian / alfresco streetscapes in Auckland".

"It is disappointing that we have not yet been able to conclude our negotiations with the NZ Government regarding the development of the New Zealand International Convention Centre, the process most recently stalling, while the Auditor-General reviews the Expression of Interest process undertaken by the Ministry of Economic Development. Our expectation is that the AG's report will be completed in 1 to 2 months, following which we would hope to re-engage with the Government and conclude these negotiations. In good faith and to facilitate a development of the scale demanded by the Government, we have acquired additional land adjacent to our Hobson St site, costing some $30 million. We remain committed to the development of the New Zealand International Convention Centre in Auckland, a much needed tourism infrastructure development for Auckland and New Zealand, providing the ultimate terms of the transaction remain acceptable to SKYCITY".

"In Darwin, our 5 star luxury lagoon resort development together with our new "Horizon" gaming salons and villas have just opened to much acclaim. We are very excited about the potential of having an international class VIP offering in Darwin for the first time, being so close to key Asian cities. Our Darwin property returned to growth in the second half, with revenues up 8%, with a bright future underpinned by the sound economic outlook for that

region and the significant new infrastructure projects there, including the $32 billion Inpex LNG project".

"Economic conditions have been challenging in South Australia in the second half. Never-the –less, we remain committed to achieving our expansion and redevelopment aspirations for the Adelaide Casino. We aim to transform it into a truly world-class integrated entertainment facility, featuring a boutique 6 star hotel, expanded gaming facilities, including "Horizon" International gaming suites and salons, signature restaurants and bars, a spa and roof top pool lounge and large underground parking facility. This development will complement the tourism and recreational infrastructure investments being undertaken by the South Australian Government in the Riverbank precinct, with the expansion of the convention centre and the transformation of the Adelaide Oval. We are continuing to work closely with the South Australian Casino Task Force regarding the future taxation and regulatory framework for the Adelaide Casino. The outcome of these discussions, which we hope will transpire in this calendar year, will allow us to finalise our plans for transforming the Adelaide Casino".

"Our Hamilton business grew strongly over the year, with revenues and EBTIDA up 9% and 8% respectively, underpinned by the strength of the Waikato economy. As a result of our confidence in the growth of the Waikato, we have approved the development of a $35 million, 135 room, 4+ star hotel to be constructed above our existing property in Hamilton.

"Our Christchurch Casino Joint Venture with Skyline continues to be challenged by a difficult operating environment. Following the recent release of the Christchurch Central Recovery Plan there is now further clarity around the rebuild of the city, with the planned convention centre and other civic buildings within the proximity of the casino.

"With our strong balance sheet and reliable cash flows from our core operations, we are confident that, should both our planned Adelaide and Auckland major development projects come to fruition, we will be able to finance these without calling on shareholders."

"With the sound results for the full year we are pleased to declare a final dividend of 8.0 cps, taking the full year dividend to 17.0 cps, up 1.0 cps (+6.3%) on prior year".

"The first six weeks of this financial year have been pleasing with normalised revenues up more than 5% on the same period last year, although we recognise the comparative for the first half FY13, will be some what challenging, given the revenues from the RWC in the first half last year".

“We look forward to providing a further trading update to shareholders at our Annual Meeting on Friday 19 October 2012” Mr Morrison said.

SKYCITY’s Chief Financial Officer, James Burrell went on to add “Group normalised EBITDA increased to $310.6m, up $19.7m (+6.8%) over last year. We achieved a full year normalised Net Profit after Tax of $141.4m up $10.5m (+8.0%), in line with our market guidance of “in the low $140 millions”.

“Adjusting for lower than theoretical hold in the International Business and non-recurring items, reported EBITDA of $300.5m is up $6.2m on prior year (+2.1%). On a reported basis, we achieved NPAT of $138.5m, up $15.5m on prior year (+12.6%)”.

“The positive result was partly driven by the Rugby World Cup finals in New Zealand in October 2011, which we estimate delivered around $11.5m in revenues, $6.5m EBITDA and $4.7m in NPAT, primarily in our hotel operations.

“In FY12, we invested in important capital projects and maintenance capex across the Group, totalling $165m. This included completion of the $50m Auckland property capex, $32m on the Darwin Lagoon Resort and $10m on implementation of the new “Bally” gaming system in Auckland, all of which will position SKYCITY for growth in FY13”.

“Our balance sheet remains strong and well-funded, with net debt to normalised EBITDA of 2.1 times and $340m of available bank committed facilities undrawn at 30 June 2012. We also have $94m Capital Notes available but unissued in Treasury Stock. In May 2012, Standard & Poor’s reiterated their BBB- investment grade rating, with a stable outlook. Accordingly, SKYCITY is well positioned to fund future growth projects from existing facilities and operating cash flows”.

SKYCITY Auckland

Normalised EBITDA from SKYCITY Auckland was $217.9m up 10.7%. Reported EBITDA was $210.6m up 1.8% reflecting the below theoretical win rate in Auckland of 1.03% (1.13% at a Group level), compared to the theoretical rate of 1.35% and average over the last 3 years of 1.34%.

FY12 has been a good year for SKYCITY Auckland in terms of growth and development, with the completion of a $50m capex programme enhancing our facilities:

- Launch of the exclusive “Horizon” gaming suites and salons for our International players, resulting in a 95% increase in IB revenues to $50.7m

- Opening the high-end entertainment area “Eight” for our premium tier table players, growing table volume by 10.6% and revenue by 2.7% in FY12 to $119.9m (albeit reflecting a lower hold rate in FY12)
- Completion of the new gaming machine room for our Diamond gaming tier, which supported the 10% revenue growth
- Opening the award winning restaurants “The Grill by Sean Connelly” and “Depot” by Al Brown, cementing Federal Street as a leading culinary destination in New Zealand, helping F&B revenue grow by 24.2% in FY12 to $45.1m

The 2011 Rugby World Cup created a solid start to the year, although the impact was less significant than expected, delivering approximately $10.7m revenue and $6m EBITDA to our Auckland property, mostly in our hotels business.

FY12 normalised revenues at our flagship Auckland property were $527.4m, up $66.2m (+14.4%) from $461.2m in FY11. Normalised EBITDA of $217.9m grew by $21.0m (+10.7%) from $196.9m in FY11. EBITDA margin has softened slightly from 42.7% to 41.3%, attributable to the increasing proportion of international business.

Excluding RWC, our Auckland business still showed strong underlying growth trends, with revenue up by 12.0% and EBITDA up 7.6% on FY11.

We successfully launched a new customer loyalty programme, Premier Rewards, as well as a new customer and gaming management system, Bally Gaming System. Whilst these caused some interruption to growth in the fourth quarter of the year, both initiatives are now fully functioning and are improving our approach to customer loyalty, marketing and segmentation. We expect to see the benefits of these initiatives in FY13.

2012 was an award winning year for SKYCITY Auckland. The Grill won 2012 *Cuisine* Magazine’s “New Zealand Restaurant of the Year” and “Best New Restaurant”. Depot won “Restaurant of the Year”, “Best New Restaurant” and “Best Bistro” in the 2012 *Metro* Awards in New Zealand. Both confirm SKYCITY’s position as Auckland’s leading entertainment precinct. In addition, Peter Gordon’s Dine continues to feature as one of New Zealand’s best restaurants and Peter as one of New Zealand’s most recognised chefs.

Adelaide Casino

Despite a strong first half in Adelaide, the challenging economic conditions in South Australia put some pressure on consumer spending in 2H12, softening full year revenue growth to A$4.0m (+2.6%) to A$160.8m. FY12 normalised EBITDA was A$36.7m, up A$0.7m (+1.9%) on FY11. Gaming machines revenues grew consistently over the year at around 8%, while table games revenues were flat, albeit drop (volumes) was up 4% with a

slightly softer win percentage. Adelaide's EBITDA margin continues to hold up well at 22.8%.

SKYCITY Darwin

After several years of softness and a flat performance in 1H12, Darwin has now started to show sustained signs of growth. Full year FY12 revenues of A$117.9m are up A$4.3m (+3.8%) on FY11 and EBITDA is up 1.2% to $34.7m.

Encouragingly, 2H12 had revenue growth of 8.4% to $54.3m, showing improvements across all segments of the business. Silk Air's business class flights direct from Singapore have commenced and are starting to increase visitation to the property. Work on the $32 billion Inpex Ichthys LNG project has not yet had any significant impact on Darwin's revenues, but this is expected by calendar year end.

In July 2012, we opened Darwin's only luxury 5-star beachfront resort. This resort complements our existing 120 bedroom hotel and features:

- 32 suites, around a 3 million litre heated swimming lagoon pool, with swim-up bar,
- 2 deluxe "Horizon" villas of approx 100 sqm, with adjoining private gaming salons for International VIP gaming customers,
- 30m white sandy beach, *Endota* day spa, "*Cove*" restaurant and bar

The resort is attracting Australian domestic tourists (early bookings indicate strong interest), corporate incentives / retreats and affluent Asian gaming clients. It opened with 100% occupancy and forward bookings indicate occupancy rates of 80% over at least the coming months.

The new facilities in SKYCITY Darwin and the much improved macroeconomic outlook bode well for Darwin's domestic growth. In addition, Darwin's proximity to Asia for attracting high end players and the new Horizon VIP suites and salons, provide our Darwin property the opportunity to really compete in the International VIP market for the first time.

SKYCITY Hamilton

Our Hamilton property continues to perform well, with revenues of $52.1 million up $4.2m (+8.8%) on FY11. Of this, we estimate revenue of circa $0.8 million is due to Rugby World Cup. Excluding RWC, underlying revenue growth remains strong at circa 7.1% on FY11.

Hamilton FY12 EBITDA of $21.8m is a good result, showing growth of $1.6m (+7.9%) on FY11. Excluding RWC EBITDA of c.$0.5m, EBITDA still grew by 5.5% in FY12, a pleasing outcome.

Nigel Morrison, CEO of SKYCITY commented, “We are pleased to announce that plans will be finalised shortly for a 4+ star hotel development, with 135 rooms above our Hamilton property. The hotel will include 8 luxury duplex suites for our premium customers and 16 large suites with river frontage balconies, in addition to 111 standard rooms. The hotel plans also include a 5-lane swimming pool, sauna and gymnasium. We anticipate the total cost to be around $35m.

“Our Hamilton property goes from strength to strength, as does the broader Hamilton and Waikato economy. We support investment into the Hamilton growth story and believe this development brings much needed quality hotel accommodation to central Hamilton. It will significantly improve the facilities that we are able to offer to our existing and future customers.

ENDS

For more information please contact:

Media

Mr Brodie Stewart
Corporate Communications
+64 9 363 7126
+64 2138 9150
brodie.stewart@skycity.co.nz

Analysts and Investors

Mr Aaron Morrison
GM Business Development and Investor Relations
+64 9 363 6205
aaron.morrison@skycity.co.nz

Media Release
15 August 2012

SKYCITY Group announces strong results

Exciting potential to transform Adelaide property

SKYCITY Entertainment Group today announced a strong normalised result for the 12 months ended 30 June 2012, with Normalised Net Profit After Tax (NPAT) growth of 8.0% to $141.4m.

SKYCITY Chief Executive Officer Nigel Morrison says he is pleased with the full year Group result, particularly the growth in the core Auckland business and International Business.

“SKYCITY Group had strong result for the 2012 Financial Year, with normalised revenues of $950.7m, up $73.7 million (+8.4%). Normalised NPAT and Earnings Per Share both increased by 8.0% over the last year,” Mr Morrison said.

“Our Adelaide result for the F12 year was satisfactory given the challenging consumer environment. Total revenues increased modestly by 2.6% from A$156.8m to A$160.8m, with normalised EBITDA of A$36.7m, up A$0.7m (+1.9%) on FY11.”

Mr Morrison said SKYCITY remained committed to achieving its expansion and redevelopment aspirations for the Adelaide property.

“SKYCITY’s fastest growing business is its VIP business from Asia, and primarily from China. This business has trebled in size over the last 3 years in our Auckland property to over $50m in revenue, following the recent investment to create new world class facilities dedicated to this market.

“Our vision is to transform the Adelaide Casino into a truly world class integrated entertainment complex, featuring a range of high end facilities which are expected by Asian and Chinese tourists. Adelaide already has a great platform for Asian tourism, with its range of world class golf courses, wineries, events and great food, and a redeveloped Adelaide property would complete this high end tourism experience.

“Our exciting plans for the redeveloped property feature the creation of a boutique 6 star hotel, expanded gaming facilities including luxurious VIP gaming suites and salons, a range of leading signature restaurants and bars, a spa and roof top pool lounge and a large underground parking facility.

“We estimate that the redevelopment would create demand for up to 500 jobs during construction, and around 1,000 additional jobs for young South Australians once operational. This development would underpin the other significant investments in the Riverbank precinct.

“We continue to work closely with the South Australian Casino Task Force regarding the future taxation and regulatory framework for the Adelaide Casino. The outcome of these discussions, which is hoped for this calendar year, will allow us to finalise our plans for transforming the Adelaide Casino,” Mr Morrison said.

Adelaide Casino General Manager David Christian said that the future for Adelaide is extremely promising with the State Government committed to large scale infrastructure spending in the Riverbank Precinct of around $1 billion.

“This includes the expanded Convention Center, redeveloped Adelaide Oval and new pedestrian foot bridge over the Torrens, and development of the Riverbank Precinct into a truly vibrant entertainment hub for the city.

“Coupled with the Government’s vision of creating a vibrant capital city, this provides the opportunity for the Adelaide Casino to develop into a world-class tourism facility that will support and strengthen this vision,” Mr Christian said

ENDS

For more information please contact:

SKYCITY Adelaide

David Christian
GM Adelaide Casino
+61 8 8218 4159

SKYCITY Corporate

Aaron Morrison
GM Business Development and Investor Relations
+64 9363 6205

Media Release
15 August 2012

SKYCITY announces strong results

Darwin returns to growth with positive outlook following opening major development

SKYCITY Entertainment Group today announced a strong normalised result for the 12 months ended 30 June 2012, with Normalised Net Profit After Tax (NPAT) growth of 8.0% to $141.4m.

SKYCITY Chief Executive Officer Nigel Morrison says he is pleased with the full year Group result, particularly the growth in the core Auckland business, International Business and SKYCITY Darwin.

“SKYCITY Group had a strong result for the 2012 Financial Year, with normalised revenues of $950.7m, up $73.7 million (+8.4%). Normalised NPAT and Earnings Per Share both increased by 8.0% over the last year,” Mr Morrison said.

“Encouragingly, Darwin had revenue growth in 2H12 of 8.4% to $54.3m, after a flat first half, showing improvements across all segments of the business in what has been a challenging environment for discretionary consumer spending in the Northern Territory.

"We are extremely excited by the outlook for our Darwin property. We recently opened Darwin’s first luxury lagoon beachfront resort. Our development complements our existing five star 120 bedroom hotel and features 32 deluxe suites situated around a 3 million litre heated swimming lagoon pool featuring a swim up bar and 30m white sandy beach.

“The new development also features two luxurious villas with adjoining private gaming salons for International high roller VIP gaming customers, and represents an extension of our successful “Horizon” VIP brand.

“Our International VIP business is the fastest growing segment of our business and we are extremely excited by the opportunity for SKYCITY Darwin to capture it's fair share of

this growing regional market, given the new world class facilities and Darwin's proximity to Asia.

We are already starting to see strong demand from Asian gaming customers and Silk Air's business class flights direct from Singapore are already starting to increase visitation to the property"

"The resort is attracting strong interest from Australian domestic tourists, from both the leisure and corporate incentive and retreats markets. It opened with 100% occupancy and forward bookings indicate occupancy rates of 80% over at least the coming months," Mr Morrison said.

SKYCITY Darwin General Manager Brad Morgan said that the new lagoon resort development and arrival of the new "Horizon" gaming salons and villas, which are the only of their kind in the Northern Territory, has further cemented Darwin's position as Northern Australia's leading gaming and entertainment destination.

"The launch of our new development has received positive acclaim from our local, interstate and international visitors. I am extremely proud of the SKYCITY Darwin team who have delivered a truly world class development which will help showcase Darwin to the rest of the world.

"I look forward to working closely with Tourism NT and the NT Convention Bureau to ensure the new products increase the positive perception of Darwin in the domestic and international marketplaces.

"The investment is a positive injection into Darwin's economy which looks set to shine with recent infrastructure ventures including the $32billion Inpex LNG project and the impending arrival of additional US defense personnel. The much improved macroeconomic outlook provides opportunity for SKYCITY Darwin to consider a number of future development plans which will support further growth within the marketplace," Mr Morgan said.

ENDS

For more information please contact:

Ms Megan Thompson
Marketing Manager – SKYCITY Darwin
+61 8 89403 8846
megan.thompson@skycitydarwin.com.au

For corporate inquiries please contact

Brodie Stewart
Publicity Executive
+64 9 363 7126
Brodie.stewart@skycity.co.nz

Media Release
15 August 2012

SKYCITY announces strong annual results

Plans to invest $35m in Hamilton Hotel development

SKYCITY Entertainment Group today announced the next stage of its SKYCITY Hamilton development as the company reported a strong normalised result for the 12 months ended 30 June 2012, with Normalised Net Profit after Tax ("NPAT") growth of 8.0% to $141.4m.

SKYCITY Chief Executive Officer Nigel Morrison says he is pleased with the full year Group result, particularly the growth in the core Auckland business, International Business and SKYCITY Hamilton.

"SKYCITY Group had strong result for the 2012 Financial Year, with normalised revenues of $950.7m, up $73.7 million (+8.4%). Normalised NPAT and Earnings Per Share both increased by 8.0% over the last year," Mr Morrison said.

The hotel will include 8 luxury duplex suites for our premium customers, 16 large suites with river frontage balconies, in addition to 111 standard rooms. The hotel plans also include a 5-lane swimming pool, and a sauna and gymnasium.

"We have a lot of confidence in the growth of the Waikato region and we are pleased to announce that plans will be finalised shortly for the $35m development of a 4+ star hotel with 135 rooms above our Hamilton property," Mr Morrison said.

"Our Hamilton property goes from strength to strength. We support investment in to the Hamilton City growth story and believe the hotel development brings much needed quality hotel accommodation to central Hamilton. It will significantly improve the facilities that we are able to offer to our existing and future customers," Hamilton Casino General Manager Arthur Pitcher said.

Hamilton City Mayor Julie Hardaker said: "We are delighted to see SKYCITY continuing to support and invest in Hamilton. The city does need more of these high-quality hotels and I think this is complementary and positive news for the city".

“Our Hamilton business continued to grow in FY12, with revenue of $52.1m, up 8.8% and EBTIDA of $21.8m, up 7.9%, showing the strength of our product offering in the Waikato region,” SKYCITY Chief Financial Officer James Burrell said.

Hotel Information

SKYCITY Hamilton recently received a renewed resource consent for a 3 story hotel located above the existing SKYCITY Hamilton Casino in the Centre of Hamilton’s Golden Mile, part of the vibrant entertainment hub of Hamilton.

Its location on the banks of the Waikato River gives it outstanding views and offers the tranquility of riverside walks.

The 4+ star hotel will offer:

- 135 rooms, including 8 luxury duplex suites and 16 large suites with river frontage balconies
- a grand atrium featuring an exquisite water feature incorporating the distinct location and river culture
- a pool complex, gym and sauna room.

We anticipate introducing new and exciting restaurants and bar concepts in the near term to complement this new development.

A key feature of the development will be to retain the existing historically significant geodesic dome. This will be tastefully achieved and will blend in well with the hotel.

ENDS

For more information please contact:

SKYCITY Hamilton
Mr Arthur Pitcher
GM SKYCITY Hamilton
+64 7 834 4902

For corporate inquiries please contact
Brodie Stewart
Publicity Executive
+64 9 363 7126
Brodie.stewart@skycity.co.nz

Media Release
15 August 2012

SKYCITY announces strong annual results

Queenstown Casino contributes to overall result

SKYCITY Entertainment Group today announced a strong normalised result for the 12 months ended 30 June 2012, with Normalised Net Profit after Tax (NPAT) growth of 8.0% to $141.4m, including a positive result for SKYCITY Queenstown Casino.

SKYCITY Chief Executive Officer Nigel Morrison says he is pleased with the full year Group result.

SKYCITY Group had a strong result for the 2012 Financial Year, with normalised revenues of $950.7m, up $73.7 million (+8.4%). Normalised NPAT and Earnings Per Share both increased by 8.0% over the last year," Mr Morrison said.

"SKYCITY Queenstown's good performance in FY12 saw revenue increase 12% to $9m. This is one of the best results since the casino opened," Mr Morrison said.

SKYCITY Queenstown Casino General Manager Michelle Baillie said Queenstown's result was driven by strong gaming revenues and effective cost management.

"We had a strong second half of the year with increased visitation from Asian groups who enjoy coming to Queenstown. This also increased the per customer gaming spend.

"We look forward to continuing to grow the business in the upcoming year.

ENDS

For more information please contact:

SKYCITY Queenstown
Michelle Baillie
GM SKYCITY Queenstown
+64 3 441 0401

For corporate inquiries please contact
Brodie Stewart
Publicity Executive
+64 9 363 7126
Brodie.stewart@skycity.co.nz