ASX ANNOUNCEMENT

ECHO ENTERTAINMENT GROUP

Jupiters Hotel & Casino | Jupiters Townsville | The Star | Treasury Casino & Hotel

21 February 2013

HALF YEAR RESULTS ANNOUNCEMENT AND ACCOUNTS

Echo Entertainment Group Limited (***Echo Entertainment***) provides the following documents in accordance with ASX Listing Rule 4.2A:

1. Media Release; and
2. Directors' Report and Financial Report for the half-year ended 31 December 2012.

Interim Dividend

The Directors have declared an interim dividend of 4 cents per share, fully franked at the company tax rate of 30%, to be paid on 27 March 2013.

The Record Date for the purpose of entitlement to the interim dividend will be 4 March 2013.

The Ex-dividend Date is 26 February 2013.

Dividend Reinvestment Plan (*DRP*)

The DRP which was adopted on 6 December 2011 has been activated and will commence operation after 30 June 2013. The DRP will not apply to the interim dividend.

Paula Martin
Group General Counsel & Company Secretary

MEDIA RELEASE

ECHO ENTERTAINMENT GROUP

21 February 2013

Echo Entertainment Group 2013 half year results[1]

Highlights

- Reported NPAT, including significant items, $66.5 million down 5.3% on prior period. The decline in NPAT on the prior period is largely the result of a lower effective tax rate in 1H12 and higher depreciation and amortisation in 1H13 following the investment at The Star
- Reported EBITDA, including significant items, $204.0 million, up 8.4% on prior period
  - Solid 14.9% actual revenue growth at The Star offset by Queensland revenues being down 5.2%
  - Higher operating expenses as a result of investment at The Star
  - Slightly lower win rate in VIP business of 1.69% vs 1.76% prior period
  - Lower significant items ($9.8m in 1H13 compared to $28.6m in 1H12)
- Normalised EBITDA, excluding significant items $210.0 million, up 0.4%
  - Normalised revenues up 7.5%, with strong VIP business growth (front money up 27.7%)
  - Operating expenses[2] up 6.8% reflecting expanded operations, notably The Star and VIP business offset by cost reductions
- VIP business continued strong momentum with normalised gross revenue up 18.5%
- Cost optimisation program expanded with further cost reductions to be implemented in 2H13 (majority by March 2013). Total cost reduction program now expected to produce over $60m of cost savings in FY14
- Balance sheet strengthened post capital raising, now geared to accommodate further growth in VIP business

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[1] This media release should be read in conjunction with Echo Entertainment Group Limited's Half Year 2013 Results Presentation and Directors' Report and Financial Report for the half year ended 31 December 2012.
[2] Operating expenses exclude gaming taxes, levies and commissions and significant items.

- Interim dividend per share of 4.0 cents fully franked declared in-line with target payout ratio of 50% of statutory NPAT
- The Star expansion completed on time and budget - Event Centre opened 24 January 2013

Group performance overview

Echo Entertainment Group Limited today reported half year statutory Net Profit After Tax (NPAT), including significant items, of $66.5 million down 5.3% on the prior period. The decline in NPAT on the prior period is largely the result of a lower effective tax rate in 1H12 and higher depreciation and amortisation in 1H13 following investment at The Star.

Reported Earnings Before Interest, Tax Depreciation and Amortisation (EBITDA) were $204.0 million, up 8.4% on the prior period. This result benefited from solid revenue growth at The Star, however was offset by lower revenue in the Queensland properties and higher operating expenses post openings at The Star.

Normalised EBITDA for the business increased by 0.4% to $210.0 million. This takes into account an approach to normalisation which adjusts for fluctuations in the win rate, and turns of front money in the VIP business based on Echo's actual experience over a rolling five year period. Expenses are adjusted by significant items of $9.8 million in 1HFY13 (compared to $28.6 million in 1H12) relating to charges associated with the cost optimisation program disclosed in 2H12.

Normalised revenue was $976.7 million; up 7.5% (Actual gross revenue was $971.8 million[3], up 7.0%). Echo saw solid revenue growth in Sydney offset somewhat by declines in Queensland.

Operating expenses[4] were up 6.8%. This increase reflects the expansion of operations from the investment program at The Star, offset by cost saving initiatives implemented across the group.

[3] Actual revenue for statutory purposes was $912.6m, up 4.2% on pcp and is calculated as the net gaming win, less player rebates and promotional allowances, but gross of commissions and rebates paid to third parties.

[4] Operating expenses exclude gaming taxes, levies and commissions and significant items.

Earnings per share were 8.1 cents. An interim dividend of 4.0 cents per share was declared based on Echo target payout ratio of 50% of statutory NPAT.

Chairman John O'Neill AO said: "The expansion plans at The Star have been delivered, on time and on budget, with the Event Centre completing The Star's transformation into a world class integrated resort complex befitting of its location on Sydney Harbour. With the period of openings behind us, the focus has turned to maximising returns on the investment made. Our expanded capacity coupled with new product offerings that are receiving global industry accolades means The Star is in a great position to drive earnings that are more consistent with the potential of our valuable licence which has 80 years remaining to run.

"While the performance of the Queensland properties in the period was soft, we remain committed, positive and engaged on the underlying potential of these assets. We recognise the role of integrated casino resorts with a blend of non-gaming attractions as valuable tourism generating assets that can complement what has been achieved at The Star. Discussions with the Queensland Government continue around a potential relocation of Treasury Brisbane casino, which Echo believes has the potential to be a positive investment for both Queensland and Echo's shareholders."

Segment performance

The segment results for the six months to 31 December 2012 were:

- **The Star**: Actual EBITDA $140.7 million, up 7.0%. Actual EBIT $95.4 million, up 0.3%.

  Revenue at The Star in Sydney was up 14.9% (up 13.6% on a normalised basis). EBITDA rose 7.0% on an actual basis and before significant items (up 4.1% on a normalised basis). Trading in the period was solid with most lines of business experiencing strong growth driven by the new product opened during FY12. Growth moderated somewhat in the second quarter; however this was impacted by a tougher prior comparable period boosted by The Star opening activities in September 2011.

  Operating expenses[5] were up 12.7% to $256.5 million driven by the new product launched during FY12. The cost optimisation program and realignment in staffing levels reduced the expense run rate relative to 2H12.

[5] Operating expenses exclude gaming taxes, levies and commissions and significant items.

The company remains optimistic on the outlook for The Star and is committed to delivering the targeted earnings uplift.

- **Queensland casinos**: Actual EBITDA $73.1 million, down 14.3%. Actual EBIT $48.4 million, down 22.8%.

  The three Queensland properties were impacted by the continuation of a tough consumer environment. Revenue decreased 5.2% (down 2.4% on a normalised basis) and EBITDA fell 14.3% on an actual basis (down 6.0% on a normalised basis). Operating expenses[5] were well controlled down 0.2% on the prior period to $188.9 million as the benefits of the cost optimisation program begin to be realised.

The VIP business results are embedded in the segment performance above. Actual gross revenue of $208.8 million was up 15.3%, with strong volume growth (front money up 27.7% on the pcp) and a comparable win rate (1.69% compared to 1.76% in the pcp). Normalised VIP revenue growth was 18.5%. The Star's normalised VIP revenue grew 25.0% while Queensland declined 22.4%. Given the relatively small nature of the Queensland VIP business, results in a half year period can be volatile as a small number of players can impact the rate of growth. Bad debt expenses were in the normal range in 1H13 at $8.0 million (3.8% of gross VIP revenue).

Outlook for second half of 2013

Trading for the start of 2H13 has been mixed. Actual revenue is down 16.7% (+17.8% normalised) from 1 January 2013 to 17 February 2013. Revenue excluding VIP is up 2.4%, with trends similar to those in 1H13 with The Star exhibiting stronger growth than our Queensland properties. While the core business in Sydney and Queensland has exhibited more modest growth, the VIP business has had strong growth in volumes over the Chinese New Year period, albeit with a lower win rate.

Chief Executive Officer, John Redmond, said: "The focus for the second half is to drive consistent and continued improvement in the operational performance of the assets, and a stronger return on investment at The Star. The expected improvement in earnings will come from revenue enhancement strategies and cost saving initiatives.

"For the first time with The Star, Echo has a product that can compete with the very best offerings in Australasia. We now need operating margins to be restored to more optimal levels as the cost base is reduced to better reflect the operating structure of the business.

"I remain confident on the return metrics The Star and expect to see consistent revenue growth and improved operating leverage over the next few years.

"The Queensland properties continued to experience soft revenue trends in 1H13 driven by general macro-economic conditions in our core markets. We expect that the business is likely to trade in-line with general market conditions in 2H13. Further attention is being placed on the operating cost base in those properties. One of my main priorities is the development and investment potential of our Queensland properties and I share the Newman Government's vision for tourism in Queensland. We continue to work collaboratively with the Queensland Government to maximise these opportunities."

For more information:

Financial analysts: Matt Bekier, Chief Financial Officer, 02 9657 7545

Media: Peter Brookes, Citadel, 02 9290 3033

MEDIA RELEASE

ECHO ENTERTAINMENT GROUP

Echo Entertainment Group half year results to 31 December 2012

• Reported	
• Statutory revenue	$912.6 million, up 4.2%
• EBITDA	$204.0 million, up 8.4%
• EBIT	$134.0 million, up 3.7%
• Net profit after tax	$66.5 million, down 5.3%
• Earnings Per Share	8.1 cents, down 17.3%
• Normalised (Underlying)	
• Revenue	$976.7 million, up 7.5%
- The Star	$636.8 million, up 13.6%
- Queensland	$339.9 million, down 2.4%
• EBITDA	$210.0 million, up 0.4%
- The Star	$137.2 million, up 4.1%
- Queensland	$72.8 million, down 6.0%
• EBIT	$139.9 million, down 6.8%
- The Star	$91.8 million, down 3.6%
- Queensland	$48.1 million, down 12.4%
• Dividend per share	
• Dividend (fully franked)	4.0 cents
• Balance sheet	
• Gross Debt	$916.9 million
• Net Debt[6]	$717.4 million
• Net Debt/EBITDA (actual)[7]	1.7x (based on annualised 1H13)

[6] Net Debt is stated after adjusting for cash and cash equivalents

[7] EBITDA is stated after adjusting for significant items and is based on 1H13 result annualised

Echo Entertainment Group Limited

A.C.N. 149 629 023

ASX Code: EGP

and its controlled entities

Directors' Report and Financial Report

for the half year ended 31 December 2012

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Directors' Report

The Directors of Echo Entertainment Group Limited ('the Company') submit their report for the consolidated entity comprising the Company and its controlled entities (collectively referred to as 'the Group') in respect of the half year ended 31 December 2012.

1. Principal activities

The principal activities of the Group during the half year comprised the provision of leisure and entertainment services (particularly in relation to casino gambling, entertainment and hospitality).

2. Directors

The names and details of the Company's Directors in office during the half year and until the date of this report (except as otherwise stated) are set out below. Directors were in office for this entire period unless otherwise stated.

John O'Neill AO	Chairman and Non Executive Director
Anne Brennan	Non Executive Director
Katie Lahey	Proposed Non Executive Director subject to the receipt of all necessary regulatory approvals
Richard Sheppard	Proposed Non Executive Director subject to the receipt of all necessary regulatory approvals
Brett Paton(iii)	Non Executive Director
John Redmond(i)	Managing Director and Chief Executive Officer
Matt Bekier	Chief Financial Officer and Executive Director
Larry Mullin(ii)	Managing Director and Chief Executive Officer

(i) Ceased as a Non Executive Director of the Company and commenced as Managing Director and Chief Executive Officer on 18 January 2013.

(ii) Ceased as a Director of the Company on 31 January 2013.

(iii) Ceased as a Non Executive Director of the Company on 25 September 2012.

On 3 October 2012, the Company announced the proposed appointment of Katie Lahey as a Non Executive Director, subject to regulatory approval being obtained.

On 21 November 2012, the Company announced the proposed appointment of Richard Sheppard as a Non Executive Director, subject to regulatory approval being obtained.

On 12 December 2012, the Company announced the appointment of John Redmond as Managing Director and Chief Executive Officer, subject to receipt of regulatory approvals. Mr Redmond commenced his role as Managing Director and Chief Executive Officer on 18 January 2013 after all necessary regulatory approvals were obtained.

3. Financial results and review of operations

Profit after income tax of the Group for the half year ended 31 December 2012 was $66.5 million, which was 5.3% below the previous corresponding period.

Earnings before interest and tax (EBIT) were $134.0 million, which was 3.7% above the previous corresponding period.

Revenue was $912.6 million, which was 4.2% above the previous corresponding period.

The Group's divisional structure comprises the following three operating segments:

- The Star;
- Jupiters; and
- Treasury.

The activities and results for these operations are discussed below.

3.1. The Star

The Group operates The Star in Sydney. The Star achieved EBIT of $95.4 million, which was 0.3% above the previous corresponding period. The Star's revenue increased by 14.9% to $633.2 million.

3.2. Jupiters

In Queensland, the Group operates Jupiters Hotel and Casino on the Gold Coast and Jupiters Townsville. In addition, the Group manages the Gold Coast Convention and Exhibition Centre, and has an interest in and manages the Townsville Entertainment and Convention Centre.

Jupiters achieved EBIT of $26.5 million, which was 26.2% below the previous corresponding period.
The division's revenue decreased by 8.4% to $198.0 million.

3.3. Treasury

The Group operates Treasury Casino and Hotel in Brisbane.

Treasury achieved EBIT of $21.9 million, which was 18.3% below the previous corresponding period.
The division's revenue decreased by 0.3% to $140.6 million.

4. Earnings per share

Basic and diluted earnings per share for the period was 8.1 cents which was 17.3% below the previous corresponding period.

5. Dividends

Since the end of the half year, the Directors have declared an interim dividend of 4 cents per ordinary share (2012: 4 cents), fully franked. The aggregated amount of the dividend expected to be paid on 27 March 2013 out of retained earnings at 31 December 2012, but not recognised as a liability at the end of the half year, is approximately $33.0 million.

6. Significant events after the end of the half year

No other matters or circumstances have arisen since the end of the half year ended 31 December 2012 which are not otherwise dealt with in this report or in the Financial Report, that have significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

Refer also to Note 12 of the Financial Report.

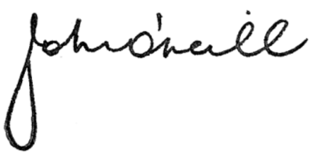
7. Rounding of amounts

Echo Entertainment Group Limited is a company of the kind specified in Australian Securities and Investments Commission Class Order 98/0100. In accordance with that Class Order, amounts in the Financial Report and the Directors' Report have been rounded to the nearest hundred thousand dollars unless specifically stated to be otherwise.

8. Auditor's independence declaration

Attached is a copy of the auditor's independence declaration provided under section 307C of the Corporations Act 2001 in relation to the review of the financial report for the half year ended 31 December 2012. The auditor's independence declaration forms part of this Directors' Report.

This report has been signed in accordance with a resolution of directors.



John O'Neill AO
Chairman

Sydney
21 February 2013

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Auditor's Independence Declaration to the Directors of Echo Entertainment Group Limited

In relation to our review of the financial report of Echo Entertainment Group Limited for the half-year ended 31 December 2012, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst + Young

Ernst & Young

John Robinson
Partner
21 February 2013

Financial Report
Consolidated statement of comprehensive income
For the half year ended 31 December 2012

	Note	**December 2012 $m**	December 2011 $m
Revenue	3	**912.6**	876.2
Other income		**2.0**	6.3
Government taxes and levies		**(188.3)**	(176.5)
Commissions and fees		**(65.1)**	(67.7)
Employment costs	4	**(283.2)**	(265.7)
Depreciation and amortisation		**(70.0)**	(59.0)
Cost of sales		**(43.1)**	(38.6)
Property costs		**(38.5)**	(34.3)
Advertising and promotions		**(38.2)**	(48.8)
Other expenses		**(54.2)**	(62.7)
Profit before net finance costs and income tax	5	**134.0**	129.2
Finance income		**1.6**	0.8
Finance costs		**(40.8)**	(40.9)
Profit before income tax		**94.8**	89.1
Income tax expense		**(28.3)**	(18.9)
Net profit after tax		**66.5**	70.2
Other comprehensive (loss)			
Items that may be reclassified subsequently to profit or loss			
Change in fair value of cash flow hedges taken to equity net of tax		**(4.5)**	(10.0)
Total comprehensive income for the period		**62.0**	60.2
Earnings per share:			
Basic and diluted earnings per share (cents per share)	7	**8.1**	9.8

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

Consolidated statement of financial position

As at 31 December 2012

	Note	December 2012 $m	June 2012 $m
ASSETS			
Current assets			
Cash and cash equivalents	8	**199.5**	342.6
Receivables	9	**127.6**	322.3
Inventories		**8.1**	7.4
Current tax assets		**-**	38.9
Other		**23.7**	20.0
Total current assets		**358.9**	731.2
Non current assets			
Property, plant and equipment		**2,022.1**	1,977.8
Intangible assets		**1,852.9**	1,866.2
Derivative financial instruments		**68.9**	81.5
Other		**24.0**	25.4
Total non current assets		**3,967.9**	3,950.9
TOTAL ASSETS		**4,326.8**	4,682.1
LIABILITIES			
Current liabilities			
Payables		**161.8**	193.0
Current tax liabilities		**12.4**	-
Interest bearing liabilities		**-**	443.0
Provisions		**59.6**	60.2
Derivative financial instruments		**30.2**	27.8
Other		**3.2**	3.8
Total current liabilities		**267.2**	727.8
Non current liabilities			
Interest bearing liabilities		**916.9**	874.8
Deferred tax liabilities		**168.0**	165.6
Provisions		**8.4**	7.7
Derivative financial instruments		**87.2**	89.2
Total non current liabilities		**1,180.5**	1,137.3
TOTAL LIABILITIES		**1,447.7**	1,865.1
NET ASSETS		**2,879.1**	2,817.0
EQUITY			
Issued capital		**2,580.5**	2,580.5
Retained earnings		**326.5**	260.0
Reserves		**(27.9)**	(23.5)
TOTAL EQUITY		**2,879.1**	2,817.0

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

For the half year ended 31 December 2012

	Note	**December 2012 $m**	December 2011 $m
Cash flows from operating activities			
Net cash receipts in the course of operations		**933.8**	851.2
Payments to suppliers, service providers and employees		**(560.2)**	(542.9)
Payment of government levies, gaming taxes and GST		**(195.2)**	(175.0)
Interest received		**1.6**	0.8
Income tax received / (paid)		**25.5**	(15.0)
Net cash inflows from operating activities		**205.5**	119.1
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		**-**	15.5
Payment for property, plant and equipment and intangibles		**(95.3)**	(201.4)
Net cash (outflows) used in investing activities		**(95.3)**	(185.9)
Cash flows from financing activities			
Proceeds from borrowings		**48.0**	120.0
Repayment of borrowings	8	**(443.0)**	-
Proceeds from Entitlement Offer	8	**186.9**	-
Finance costs		**(45.2)**	(51.5)
Net cash (outflows) / inflows from financing activities		**(253.3)**	68.5
Net (decrease) / increase in cash held		**(143.1)**	1.7
Cash at beginning of period		**342.6**	108.2
Cash at end of period	8	**199.5**	109.9

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

Consolidated statement of changes in equity

For the half year ended 31 December 2012

	Ordinary shares $m	Retained earnings $m	Hedging reserve $m	Share based payment reserve $m	Total equity $m
2012					
Balance at 1 July 2012	**2,580.5**	**260.0**	**(24.2)**	**0.7**	**2,817.0**
Profit for the period	-	**66.5**	-	-	**66.5**
Other comprehensive income	**-**	**-**	**(4.5)**	-	**(4.5)**
Total comprehensive income	**-**	**66.5**	**(4.5)**	-	**62.0**
Share based payments	-	-	-	**0.1**	**0.1**
Balance at 31 December 2012	**2,580.5**	**326.5**	**(28.7)**	**0.8**	**2,879.1**
2011					
Balance at 1 July 2011	2,138.0	245.3	(5.3)	-	2,378.0
Profit for the period	-	70.2	-	-	70.2
Other comprehensive income	-	-	(10.0)	-	(10.0)
Total comprehensive income	-	70.2	(10.0)	-	60.2
Share based payments	-	-	-	0.3	0.3
Balance at 31 December 2011	2,138.0	315.5	(15.3)	0.3	2,438.5

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

Notes to the consolidated financial statements
For the half year ended 31 December 2012

1. Corporate information

This half year financial report was authorised for issue on 21 February 2013 in accordance with a resolution of the directors.

Echo Entertainment Group Limited ('the Company') is a company incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The financial report of the Company for the half year ended 31 December 2012 comprises the Company and its controlled entities (collectively referred to as 'the Group').

The Company is a company of the kind specified in Australian Securities and Investments Commission ('ASIC') Class Order 98/0100. In accordance with that Class Order, amounts in the financial report and the Directors' report have been rounded to the nearest hundred thousand dollars, unless specifically stated to be otherwise. All amounts are in Australian dollars ($).

2. Significant accounting policies

(a) Basis of preparation of half year report

The principal accounting policies adopted in the preparation of the half year financial report are consistent with those applied in the annual financial report for the year ended 30 June 2012.

The half year financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The half year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the audited annual report for the year ended 30 June 2012, and any public announcements made by the Company during the interim reporting period in accordance with its continuous disclosure obligations under the ASX listing rules.

(b) Changes in accounting policies and disclosures

The Group has adopted the following amended accounting standard, which became applicable from 1 July 2012:

AASB 2011-9 Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income

The adoption of the standard did not have any effect on the financial position or performance of the Group.

3. Revenue

	December 2012 $m	December 2011 $m
Gross revenue	**971.8**	908.2
Player rebates and promotional allowances	**(59.2)**	(32.0)
	912.6	876.2

4. Employment costs

	December 2012 $m	December 2011 $m
Employment related costs	**283.2**	265.7

Employment costs for the current period include a charge for the provision of separation costs of $2,470,000 relating to the Managing Director and Chief Executive Officer, Mr Larry Mullin, following notice of his resignation on 27 September 2012. After serving part of his contractual notice period to continue to manage the group and support the transition to his successor, Mr Mullin’s employment with the Company ceased on 31 January 2013. This amount comprises statutory, contractual and other payments agreed as part of Mr Mullin’s separation from the Company.

5. Significant items

	December 2012 $m	December 2011 $m
Profit before income tax is stated after charging the following significant items:		
Pre opening expenses [a]	-	28.6
Restructuring costs [b]	**9.8**	-
	9.8	28.6

a Pre opening expenses include all marketing, operating and training expenses incurred prior to the opening of The Star property.

b Restructuring costs include costs associated with the approved restructuring plan, including termination payments, legal and consulting fees.

Notes to the consolidated financial statements
For the half year ended 31 December 2012

6. Dividends

	December 2012 $m	December 2011 $m
Dividends declared and paid during the half year on ordinary shares:		
Dividends provided for or paid during the half year	-	-
Dividends declared after the end of the half year		
Since the end of the half year, the directors have declared an interim dividend of 4 cents per ordinary share (2012: 4 cents), fully franked. The aggregated amount of the dividend expected to be paid on 27 March 2013 out of retained earnings at 31 December 2012, but not recognised as a liability at the end of the half year, is	33.0	27.5

7. Earnings per share

	December 2012 $m	December 2011 $m
Net profit attributable to ordinary shareholders	66.5	70.2
Basic and diluted earnings per share (cents)	8.1	9.8

Number of shares used for earnings per share calculation	December 2012 Number	December 2011 Number
Basic and diluted weighted average number of shares on issue	825,672,730	719,825,481

8. Cash and cash equivalents

	December 2012 $m	June 2012 $m
Cash on hand and in banks	157.2	85.9
Short term deposits	42.3	256.7
	199.5	342.6

Cash proceeds of $255.6 million from Institutional Entitlement Offer were recorded in cash and cash equivalents as at 30 June 2012.
Cash proceeds of $186.9 million from Retail Entitlement Offer were received subsequent to 30 June 2012 (refer to note 9).
By 24 July 2012, the Company had repaid $443.0 million of its bank loans using the proceeds from the Entitlement Offer.

9. Receivables

	December 2012 $m	June 2012 $m
Current		
Trade receivables	145.4	160.7
Less provision for impairment	(31.5)	(30.8)
Net trade receivables	113.9	129.9
Other receivables	13.7	5.5
	127.6	135.4
Retail Entitlement Offer proceeds receivable (refer to note 8)	-	186.9
	127.6	322.3

Notes to the consolidated financial statements

For the half year ended 31 December 2012

10. Segment information

The Group's operating segments have been determined based on the internal management reporting structure and the nature of products and services provided by the Group. They reflect the business level at which financial information is provided to management for decision making regarding resource allocation and performance assessment.

The reportable segments are based on aggregated operating segments, determined by the similarity of the products and services provided.

The Group has three reportable segments:

The Star	Comprises The Star's casino operations (Sydney), including hotels, apartment complex, night club, restaurants and bars.
Jupiters	Comprises the casino operations at two locations (Gold Coast and Townsville), including hotels, theatre, restaurants and bars.
Treasury	Comprises Treasury's casino operations (Brisbane), including hotel, restaurants and bars.

	The Star	**Jupiters**	**Treasury**	**Total**
	$m	**$m**	**$m**	**$m**
2012				
Gross revenues - VIP [a b]	190.7	17.0	1.1	208.8
Gross revenue - external [a b]	442.5	181.0	139.5	763.0
Segment revenue	633.2	198.0	140.6	971.8
Segment result [c]	**95.4**	**26.5**	**21.9**	**143.8**
Depreciation and amortisation	45.3	14.2	10.5	70.0
Capital expenditure	68.5	15.2	14.1	97.8
2011				
Gross revenue - VIP [a b]	147.1	33.8	0.0	180.9
Gross revenue - external [a b]	404.0	182.3	141.0	727.3
Segment revenue	551.1	216.1	141.0	908.2
Segment result [c]	**95.1**	**35.9**	**26.8**	**157.8**
Depreciation and amortisation	36.4	13.0	9.6	59.0
Capital expenditure	186.2	18.6	9.7	214.5

a Gross revenue is presented as the net gaming win gross of player rebates and promotional allowances.
b Segment revenue is presented on an actual basis.
c Segment result represents profit before net finance costs and income tax and excludes significant items.

Reconciliation of reportable segment result to profit before income tax

	December 2012	December 2011
	$m	$m
Profit before interest and tax		
Segment result	**143.8**	157.8
Significant items (refer to note 5)	**(9.8)**	(28.6)
Unallocated items		
- finance income	**1.6**	0.8
- finance costs	**(40.8)**	(40.9)
Profit before income tax	**94.8**	89.1

11. Contingent liabilities

Since the last annual reporting date, there have been no material changes in contingent liabilities.

12. Subsequent events

Since 31 December 2012, the directors have declared a dividend of 4 cents per ordinary share. The total amount of the dividend is approximately $33.0 million. This has not been provided for in the 31 December 2012 financial statements (refer to note 6).

There have been no other significant events occurring after the reporting date which may affect either the Company's operations or results of those operations or the Company's state of affairs unless otherwise stated in the financial report.

Directors' declaration

In the opinion of the directors of Echo Entertainment Group Limited ('the Company'):

(a) The financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including:

 (i) giving a true and fair view of the financial position as at 31 December 2012 and of the performance for the half year ended on that date; and

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

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors.

John O'Neill AO
Chairman

Sydney
21 February 2013

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Independent auditor's review report to the members of Echo Entertainment Group Limited

Report on the Condensed Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Echo Entertainment Group Limited, which comprises the consolidated statement of financial position as at 31 December 2012, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Echo Entertainment Group Limited and the entities it controlled during the period, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

Conclusion

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

a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and

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

Ernst + Young

Ernst & Young

John Robinson
Partner
Sydney
21 February 2013