

ECHO

ANNUAL GENERAL MEETING – FRIDAY 31 OCTOBER 2014



| T H E | S T A R |



ECHO ENTERTAINMENT GROUP LIMITED
ACN 149 629 023

ECHO

2014 ANNUAL GENERAL MEETING – FRIDAY 31 OCTOBER 2014

JOHN O’NEILL AO - CHAIRMAN

OUR BOARD OF DIRECTORS



John O'Neill
AO
Chairman and
Non Executive
Director



Anne Brennan
Deputy Chair
and Non
Executive
Director



Katie Lahey
AM
Non Executive
Director



**Richard
Sheppard**
Non Executive
Director



**Gerard
Bradley**
Non Executive
Director



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



Matt Bekier
Managing
Director and
Chief
Executive
Officer

ECHO'S CONTRIBUTION TO THE ECONOMY

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

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

ECHO'S COMMITMENT TO COMMUNITY

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

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MATT BEKIER – MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER

JUPITERS HOTEL & CASINO AWARDS

QUEENSLAND HOTEL ASSOCIATION (QHA)

ANNUAL AWARDS FOR EXCELLENCE

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



FY14 IN REVIEW

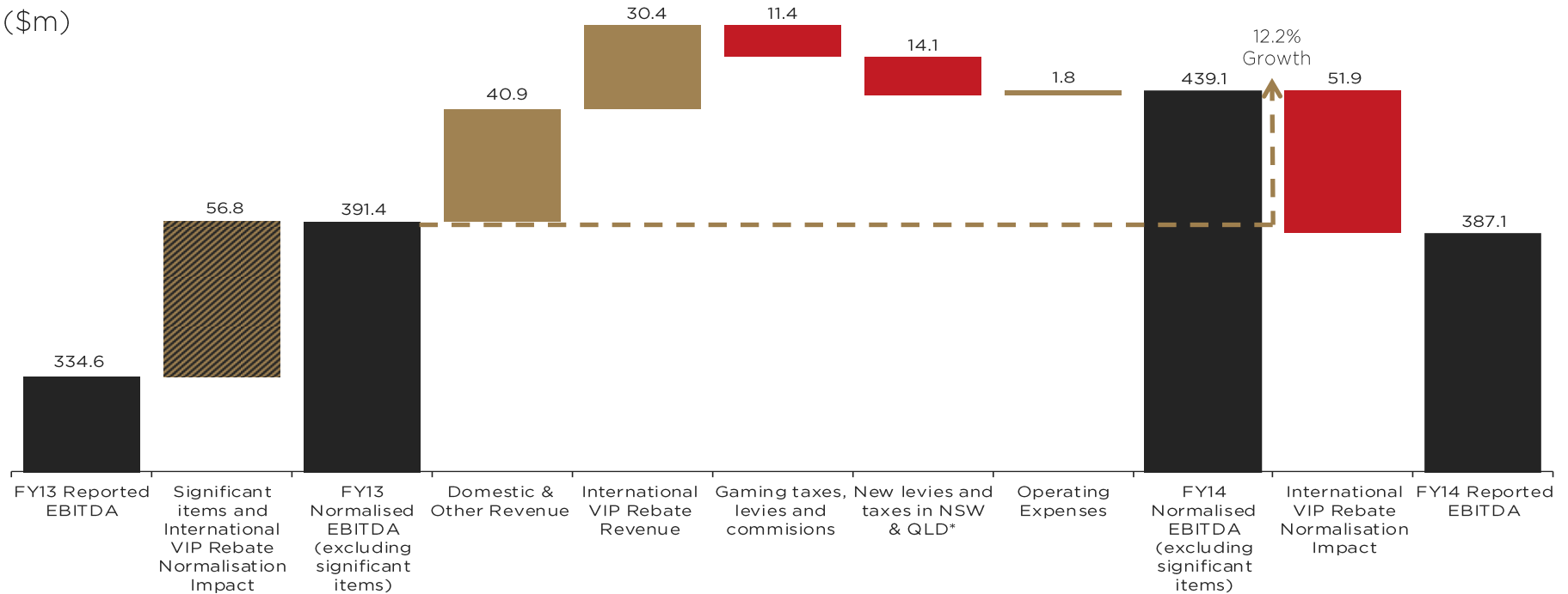
FULL YEAR FINANCIAL RESULTS

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

FY14 IN REVIEW

KEY DRIVERS OF RESULTS

(\$m)



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

ECHO ENTERTAINMENT GROUP LIMITED

THREE YEAR FINANCIAL RESULTS SUMMARY

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

FY14 KEY ACHIEVEMENTS

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

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

JUPITERS GOLD COAST DEVELOPMENT UPDATE

REFRESH EXISTING SITE

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

CONSTRUCTION OF 6 STAR HOTEL & VIP GAMING FACILITIES

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

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

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

Note:

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

See ASX Announcement of 30 October 2014 for full details

PRIORITIES FOR THE NEXT 12 MONTHS

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

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Thank you for joining us today

ECHO ENTERTAINMENT GROUP

ECHO ENTERTAINMENT GROUP LIMITED (ASX: EGP)

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- Information in this presentation is provided as at the date of the presentation unless specified otherwise. It should be read in conjunction with Echo Entertainment Group Limited's financial report for the full year ended 30 June 2014 and other disclosures made via the Australian Securities Exchange
- Echo Entertainment Group results are reported under International Financial Reporting Standards (IFRS). This presentation may include certain non-IFRS measures including normalised results, which are used internally by management to assess the performance of the business
- Non-IFRS measures and current trading FY15 YTD and 1H FY15 results to date have not been subject to audit or review
- Normalised results reflect the underlying performance of the business as they remove the inherent volatility of the international VIP Rebate business. Normalised results are adjusted using an average win rate of 1.62% and average number of turns of front money of 13 times based on the 5 year average to the end of FY13. Normalisation rates applied to the FY14 results are consistent with FY13 rates. FY15 YTD normalised results are adjusted using an average win rate of 1.43% of actual turnover
- Normalised EBIT (Underlying Earnings) and Normalised EBITDA are calculated based on normalised gross revenue and corresponding normalised commission and rebate expenses and taxes. Significant items are excluded from the normalised results
- Queensland results referred to in this presentation relate to the Jupiters and Treasury segments as reported in the statutory accounts

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