SKYCITY Entertainment Group Limited
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www.skycitygroup.co.nz

13 August 2014

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 2014)

We supply herewith the financial information as required by Listing Rule 10.3 together with a copy of the company's FY14 Full Year Result presentation and the SKYCITY Entertainment Group Limited financial statements for the year ended 30 June 2014.

Please find attached:

1. Appendix 1 (Rule 10.3.1) detailing the Preliminary Announcement for the year ended 30 June 2014.

2. FY14 Full Year Result presentation for the year ended 30 June 2014.

3. Appendix 7 (NZX Listing Rule 7.12.2) detailing the final distribution of NZ$0.10 cents per ordinary share to be paid on 3 October 2014 to those shareholders on the company's share register as at 5.00pm on 19 September 2014.

4. Audited financial statements and notes for the year ended 30 June 2014.

5. A media release.

Yours faithfully

Richard Smyth
Acting Chief Financial Officer

SKYCITY Entertainment Group Limited	
Results for announcement to the market	
Reporting Period	1 July 2013 to 30 June 2014
Previous Reporting Period	1 July 2012 to 30 June 2013

Reported	Amount (000s)	Percentage change
Reported revenue including gaming GST from ordinary activities	NZ$902,534	-4.8%
Reported revenue from ordinary activities [1]	NZ$821,482	-4.8%
Reported profit (loss) from ordinary activities after tax attributable to security holder	NZ$98,537	-22.6%
Reported net profit (loss) attributable to security holders	NZ$98,537	-22.6%

Normalised	Amount (000s)	Percentage change
Normalised revenue including gaming GST from ordinary activities	NZ$927,294	-1.9%
Normalised revenue from ordinary activities	NZ$843,342	-2.0%
Normalised profit (loss) from ordinary activities after tax attributable to security holder	NZ$123,165	-8.1%
Normalised net profit (loss) attributable to security holders	NZ$123,165	-8.1%

The FY14 result has been adversely impacted by the significant currency appreciation of the NZD against the AUD.

- Average NZD / AUD cross-rate during FY14 0.9049
- Average NZD / AUD cross-rate during FY13 0.8003
- Restating FY14 at 0.8003 to remove the FX differential would have the following impact:

  FY14 Reported Revenue (+$41.4m)
  FY14 Normalised Revenue (+$42.7m)

Notes:
- 'Reported' information is per the audited financial statements
- 'Normalised' results sets International Business win to theoretical win rate of 1.35% and adjusts for certain revenue and expense items. FY13 normalised comparatives have been restated to exclude Christchurch Casino disposed in December 2012. Reconciliation between reported and normalised financial information is provided at the end of this document
- 'EBITDA' = Earnings before interest, tax, depreciation and amortisation
- 'EBIT' = Earnings before interest and tax
- 'NPAT' = Net profit after tax

[1] On the Income Statement this is the total of Revenue, Other Income and Share of net profit of associates

Final Dividend	Amount per security	Imputed amount per security
	NZ$0.10	$0.038889

Record Date	19 September 2014
Payment Date	3 October 2014

Comments:	SKYCITY's FY14 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 2014. The Result Presentation will be available on the Company's website from 13 August 2014.

NTA Backing

	2014	2013
Net tangible asset backing per ordinary share	69.0¢	73.4¢

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

100% of the October 2014 dividend will be imputed at the company's tax rate of 28% and not franked for Australian purposes.

For the October 2014 dividend, a discount of 2.0% has been introduced for shareholders participating in the Dividend Reinvestment Plan. Elections to participate in the DRP for the October 2014 dividend close Monday 22 September 2014.

Reconciliation between reported and normalised financial information

	FY14				FY13			
	Revenue $m	EBITDA $m	EBIT $m	NPAT $m	Revenue $m	EBITDA $m	EBIT $m	NPAT $m
Reported	**902.5**	**256.5**	**175.7**	**98.5**	**947.8**	**293.9**	**217.1**	**127.3**
Adelaide transformation costs		4.3	4.3	3.0				
NZICC		0.3	0.3	2.8				2.0
Strategic project and development costs		1.4	1.4	1.0		1.6	1.6	1.4
Restructuring costs		2.3	2.3	1.7		1.6	1.6	1.1
Profit from sale of Christchurch				(0.9)				(0.1)
Auckland transformation costs		0.9	2.1	1.5			0.8	0.6
Total Adjustments		**9.2**	**10.4**	**9.1**		**3.2**	**4.0**	**5.0**
Adjusted	**902.5**	**265.7**	**186.1**	**107.6**	**947.8**	**297.1**	**221.1**	**132.3**
Provision for IB Debtors		0.2	0.2	0.2		2.4	2.4	1.7
International Business at Theoretical	24.8	21.7	21.7	15.4	0.2	3.3	3.3	2.3
Normalised incl Chch	**927.3**	**287.6**	**208.0**	**123.2**	**948.0**	**302.8**	**226.8**	**136.3**
Results from Christchurch Casino	-	-	-	-	2.3	2.3	2.3	2.3
Normalised	**927.3**	**287.6**	**208.0**	**123.2**	**945.7**	**300.5**	**224.5**	**134.0**

SKYCITY's objective of producing normalised financial information is to provide data that is useful to the investment community in understanding the underlying operations of the Group.

Gaming revenue figures reflect gaming win (inclusive of gaming GST). This facilitates Australasian comparisons and is consistent with the treatment adopted by major Australian casinos. Non-gaming revenues are net of GST. Total revenues are gaming win plus non-gaming revenues.

Key Adjustments are:

- Adelaide transformation costs – business transformation and launch costs for Adelaide
- NZICC – Interest on purchase of New Zealand International Convention Centre (NZICC) land bank calculated using the Group's average cost of debt of 6.92% on an average balance of $52m and other costs specific to this project
- Strategic project and development costs - The Wharf acquisition, Brisbane, Gold Coast, Philippines and other miscellaneous items
- Restructuring costs – costs associated with changing the staffing structures designed to create future efficiencies
- Profit from sale of Christchurch – insurance recoveries from 2011 earthquake damage
- Auckland transformation costs – business transformation and launch costs related to Auckland facilities

IB actual win rate at 0.97% for FY14. The adjustment to theoretical win rate of 1.35% resulted in a $24.8m adjustment to revenue and $21.7m to EBITDA.

Normalisation adjustments have been calculated in a consistent manner in FY14 and FY13.

SKYCITY Entertainment Group Limited

30 June 2014 Annual Results Presentation

13 August 2014

SKYCITY Result FY14

www.skycityentertainmentgroup.com

FY14 Result Overview – Normalised Results

	FY14	FY13	Movement	
	$m	$m	$m	%
Normalised Revenue (incl Gaming GST)	927.3	945.7	(18.4)	*(1.9%)*
Normalised EBITDA	287.6	300.5	(12.9)	*(4.3%)*
Normalised NPAT	123.2	134.0	(10.8)	*(8.1%)*
Normalised EPS	***21.3 cps***	***23.2 cps***	***(1.9 cps)***	***(8.2%)***
Final Dividend NZ$ cps	*10.0 cps*	*10.0 cps*	-	-

Growth across our core businesses, underpinned by strong Auckland and International Business performance with good and sustained momentum in the second half, has been masked by:

(1) the continued significant appreciation of the New Zealand dollar against the Australian dollar over the FY14 year; and

(2) the ongoing disruption at the existing Adelaide Casino of the extensive construction works as we transform the property to take advantage of the reforms negotiated with the SA Government

- *Average NZD/AUD cross-rate during FY14 0.9049 and FY13 0.8003*
- *Normalised FY13 results throughout this document exclude $2.3m from Christchurch Casino at revenue, EBITDA and NPAT levels*

FY14 Result Overview – Reported Results

Reported Results	FY14	FY13	Movement	
	$m	$m	$m	%
Reported Revenue (incl Gaming GST)	902.5	947.8	(45.3)	*(4.8%)*
Reported EBITDA	256.5	293.9	(37.4)	*(12.7%)*
Reported NPAT	98.5	127.3	(28.8)	*(22.6%)*
Reported EPS	***17.0 cps***	***22.1 cps***	***(5.1 cps)***	***(23.1%)***
Final Dividend NZ$ cps	10.0 cps	10.0 cps	0.0 cps	*0.0%*

Reported to Normalised Result	FY14	FY13
	$m	$m
Reported	98.5	127.3
Adelaide transformation costs	3.0	-
NZICC Development related costs	2.8	2.0
Development & Project	3.3	3.0
IB adjustment to theoretical	15.6	4.0
Christchurch Casino	-	(2.3)
Normalised	123.2	134.0

- *FY13 reported includes Christchurch Casino $2.3m*

FY14 Result Overview – Normalised Results - AUD

Normalised Results – AUD	FY14	FY13	Movement	
	$m	$m	$m	%
Normalised Revenue (incl Gaming GST)	**839.1**	**756.8**	**82.3**	***10.9%***
Normalised EBITDA	**260.2**	**240.5**	**19.7**	***8.2%***
Normalised NPAT	**111.5**	**107.2**	**4.3**	***4.0%***
Normalised EPS	***19.2 cps***	***18.6 cps***	***0.6 cps***	***3.2%***
Final Dividend A$ cps	***9.0 cps***	***8.0 cps***	***1.0 cps***	***12.5%***

For illustrative purposes and to highlight the impact of currency movements during the year, the above translation is provided

• NZD/AUD cross-rate for illustrative purposes – FY14 converted at the average FY14 rate of 0.9049, FY13 converted at the average FY13 rate of 0.8003

Results Overview – Key Take Outs

- Normalised EBITDA for FY14 declined by 4.3% ($12.9m) from $300.5m to $287.6m. Of this $9.9m represented exchange rate impact and a further A$4.1m related to Adelaide transformation and disruption
- SKYCITY Auckland experienced robust growth across all business segments, with strong momentum particularly evident in the second half of the year and continuing into the first quarter FY15. The completion of the redevelopment of Federal Street, the opening of Masu, the Sugar Club, Federal Deli, Gusto at the Grand, the opening of new VIP gaming rooms and the continued refurbishment of the hotels have all contributed to the renewed attraction and appeal of SKYCITY Auckland
- International Business turnover grew strongly in the second half with turnover exceeding $6bn for the year. Despite record turnover in our IB business of $6.5b, the actual win rate across the business for the year was 0.97%, below the theoretical win rate of 1.35% (the industry normalising standard). This reduced the win from our IB for the year from $88.0m at theoretical to $63.2m
- The FY14 result has been adversely impacted by the significant currency appreciation of the NZD against the AUD – reducing Group EBITDA by $9.9m (in Australian dollar currency, Normalised EBITDA is up A$19.7m)
- Significant progress has been made with the transformation of the Adelaide Casino with the completion and opening of the new Baccarat Pavilion, Platinum Room, Barossa Room and VIP Room between December 2013 and 30 June 2014. The ongoing transformation and construction works have significantly impacted on gaming & non-gaming revenues and earnings across FY14, as virtually all of the existing Adelaide Casino has and is being totally redeveloped. The works transforming the Adelaide Casino will be completed in 1H15

Results Overview – Key Take Outs (page 2 of 2)

- Good momentum has continued for FY15 with revenues and EBITDA to 10 August experiencing 4% growth, with strong Auckland and IB performance and with the IB win rate back to theoretical
- SKYCITY signed the NZICC agreement with the Crown and the enabling legislation was passed by the NZ Parliament in the first half of FY14. In exchange for the commitment to build the New Zealand International Convention Centre, SKYCITY Auckland's casino licence was extended to 2048, tax certainty was provided and an expansion of gaming product approved
- NZICC Concept Design has been agreed with the NZ Government – on track to apply for resource consent by the fourth quarter of 2014. NZICC Master Plan now includes a 300 room five star hotel, additional car parking, retail and restaurants, lane-way access and air bridge to be built in conjunction with the NZICC
- SKYCITY signed the new Approved Licencing Agreement and new Casino Duty Agreement with the SA Government in the first half of FY14 and the enabling legislation was subsequently passed by the SA Parliament. These agreements provided the Adelaide Casino with licence exclusivity extension to 2035, renegotiated tax rates and tax certainty for that period and an expansion of gaming product
- While general economic conditions have been buoyant in Auckland, conditions in Hamilton, South Australia and, to a lesser extent, Darwin have been more challenging. Overall disappointing results for Hamilton for the year
- SKYCITY continues its current dividend policy, offering shareholders an attractive yield. A discount of 2% has been introduced on the Dividend Reinvestment Plan for the October Dividend

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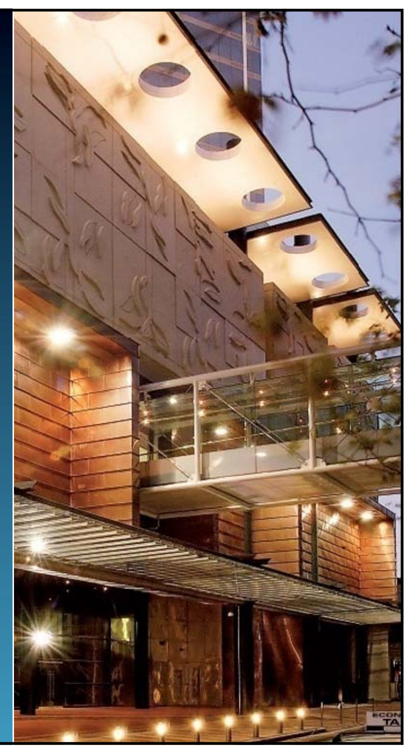
FY14 Property Updates



FY14 Property Update – SKYCITY Auckland (page 1 of 2)

- Normalised revenue increased 3.3% to $533.3m and EBITDA increased 3.9% to $217.9m. Excluding International Business, Auckland revenues increased 3% to $474.7m and EBITDA 3.7% to $204.1m
- Normalised gaming revenues grew 2.2% to $399.8m with Non-Gaming revenues growing 6.7% to $133.5m
- Continued cost out initiatives across the Auckland business provided leverage to revenue growth with margins improving from 40.6% to 40.9%
- Despite the disruption of the redevelopment of Federal Street, the non-gaming businesses performed well with Masu, The Grill, Depot, Gusto at the Grand, Bellota and The Sugar Club continuing to operate to much acclaim and being recognised with a range of outstanding awards. The SKYCITY Grand and SKYCITY Hotel continue to operate at industry-leading occupancy levels
- SKYCITY Auckland experienced good growth in revenues and EBITDA in the second half (2H14) with the momentum in gaming & non-gaming revenues continuing into 1Q15
- SKYCITY and the Crown have agreed the NZICC Concept Design for the NZICC Agreement and are on track to apply for Resource Consent in the fourth quarter of 2014. Subject to a favourable outcome of the resource consent process we would expect the construction contract to be executed towards the end of this 2015 Financial Year. The SKYCITY Board has approved the expanded NZICC Master Plan which now includes a new 300 room five star hotel

FY14 Property Update – SKYCITY Auckland (page 2 of 2)

- SKYCITY Auckland's second half (2H14) highlights include:
  - Overall revenue growth of 9.0% and EBITDA growth of 7.4% for 2H14 on pcp
  - Gaming Machines revenue growth of 3.5% with local table games revenue growth of 1.8% on pcp
  - International Business turnover growth of 6.5% with a win rate of 0.96%
  - Food & Beverage revenue growth of 21.3%, underpinned by the revitalised Federal Street precinct, including Japanese Robata restaurant "Masu" voted Auckland's best new restaurant of 2014 by Cuisine magazine
  - Hotel revenue growth of 13.4% with both the SKYCITY Hotel and SKYCITY Grand exhibiting strong revenue growth with 2 record months recorded in Q3. The Grand Hotel and SKYCITY Hotel continue to operate at industry-leading occupancy levels (Grand Hotel 85%, SKYCITY Hotel 93%)
- SKYCITY Auckland has continued to trade well into the FY15 year (through to 10 August 2014) with 9% revenue growth. Whilst a positive start to FY15, we don't expect to continue this growth rate. Federal Street is now fully re-opened with building works completed and with the disruption ceasing in July. The general amenity of Federal Street is now significantly improved with a wide, open, boulevard feel, with a unique urban appeal

FY14 Property Update – Adelaide Casino (page 1 of 2)

- Adelaide Casino's normalised revenue for FY14 increased 3.6% to $166.2m while EBITDA decreased 10.8% to $33.8m
- The International Business in Adelaide grew significantly over the year with normalised revenues up 95% to $18m and normalised EBITDA up 85% to $5.0m highlighting the significant potential of Adelaide as an IB destination. The international salons in Adelaide were not subject to the significant disruption experienced by the balance of the property over the second half
- Excluding the IB business, Adelaide revenue fell 2% to $148.1m and normalised EBITDA fell 18% from $35.2m to $28.8m, reflecting the significant disruption to the operations caused by the extensive construction works as we systematically work through and transform the totality of the Adelaide Casino. This resulted in as much as a third of gaming areas being closed at any one time as construction progressed. The contraction in EBITDA also reflects the relatively high fixed cost structure of the business and the difficulty in managing the cost structure over periods of relatively short disruption
- In addition to the physical transformation of the Adelaide Casino, following the new Approved Licencing Agreement and Casino Duty Agreement entered into with the South Australian Government in 1H14, new gaming systems and technology have been developed and implemented and TITO and cashless gaming is being progressively introduced

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FY14 Property Update – Adelaide Casino (page 2 of 2)

- We expect the on-going construction at the Adelaide Casino and the reconfiguration of main floor product to continue to disrupt results through 1H15
- The property will be re-launched to the Adelaide and Interstate markets towards the end of the first half of FY15. Our new signature restaurant "Sean's Kitchen" by celebrity chef Sean Connelly will open at the end of September and new French Vietnamese restaurant by internationally acclaimed chef Nic Watt will open in December/January
- Similarly, the Adelaide property continues to see the benefit of the significant investment by the South Australian Government in the surrounding Riverbank precinct

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FY14 Update – Consolidated International Business

- Across all properties, normalised revenue for FY14 increased 14.3% to $88.0m and normalised EBITDA increased 11.3% to $19.7m
- International Business grew strongly in the second half with record turnover of $3.9b after a soft first half of $2.6b, with the full year achieving $6.5b for the first time
- As we focus on growing our International Business and becoming more competitive in the region, we increased our maximum table differential from $200,000 to $250,000 in December 2013 which has, over this period increased volatility as we build up volume. We are now seeing more players playing at these higher levels, with volumes growing and are confident the business will return to theoretical win rates in the medium term
- Turnover across the group in 2H14 increased by 39% to $3.9b underpinned by larger, high quality players at Auckland and Adelaide, with a particularly strong fourth quarter in Auckland (up 61%) with $900m turnover in June alone
- We are seeing a strong rebound in Chinese players, our core target VIP market, with turnover from Chinese domiciled players up 140% on pcp
- With our expanded sales & marketing team increasing their focus on the region, the continued penetration of our "Horizon" brand and our commitment to building strong, direct relationships with our VIP customers we expect to see further growth in 2015. The FY15 year has started well with IB turnover to 10 August 2014 of $1.2b, with win of $15m at a win rate of 1.3%

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FY14 Property Update – Darwin

- Normalised revenue for FY14 decreased 0.3% to $133.1m with normalised EBITDA decreasing 4.5% to $36.3m
- Locally Darwin continues to show resilience with local revenues up marginally, but offset by cost pressures in the local economy. Local EBITDA was down 2.4%. Overall sentiment remains positive for Darwin
- The luxury Lagoon Resort has continued to operate at close to full occupancy, attracting both local and international players alike with its 5 restaurants, 8 bars and 2 Horizon international gaming villas and salons
- During the year we completed the redevelopment of the SKY room for local VIPs and increased automated table gaming. We successfully introduced TITO in the SKY room, Diamond room and main gaming floor with the continued rollout expected to be completed by the end of September
- We remain confident that large infrastructure projects, along with an increased focus on tourism and more flights to and from Asia should underpin long-term growth in Darwin

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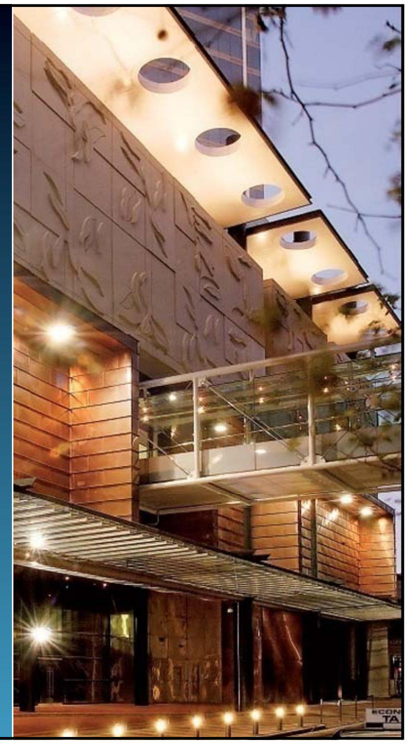
Capital Projects Update



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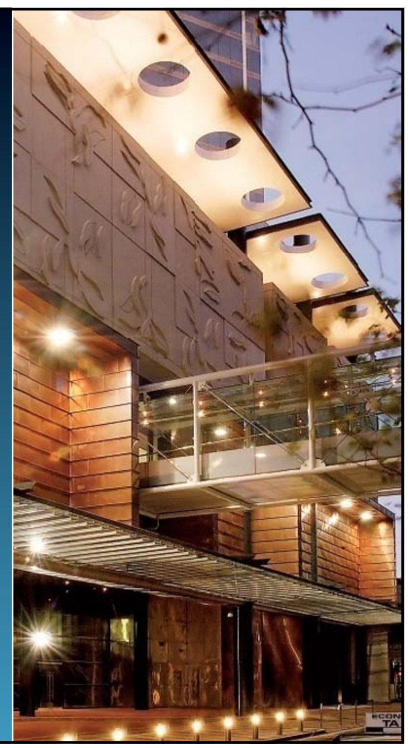
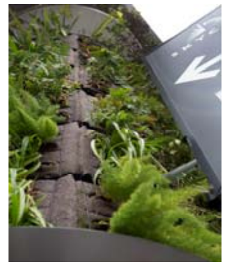
Federal Street, SKYCITY Auckland



Federal Street, SKYCITY Auckland

- Federal Street now re-opened with building works completed in July this year. The general amenity of Federal Street is much improved, with a wide, open, boulevard feel
- Internationally-acclaimed Chef, Nic Watt, formerly from Roka, Zuma and Nobu, opened Masu on 16 October 2013 in the Grand Hotel. Masu has been highly acclaimed since opening, voted the 2014 Best New Restaurant of the Year by Cuisine magazine
- Sean Connolly, celebrity chef, opened our Italian restaurant Gusto at the Grand in February this year
- Our other signature restaurants Bellotta, Depot and the Sugar Club continue to trade strongly and are particularly resonating with our VIP and international guests
- The Grand Hotel and SKYCITY Hotel continue to operate at industry-leading occupancies with room refurbishment of 5 floors of The Grand Hotel completed during 2H14



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SKYCITY Auckland - Restaurant Awards

MASU

- 2014 Metro Magazine Restaurant of the Year Supreme Winner
- 2014 Metro Magazine Best New Restaurant
- 2014 Metro Magazine Best Smart Dining
- 2014 Metro Magazine Top 50

THE GRILL BY SEAN CONNOLLY

- 2012 *Cuisine* NZ Good Food Awards Restaurant of the Year
- 2013 *Cuisine* NZ Good Food Awards - 2 Hats
- 2013 Metro Magazine Top 50
- 2014 Metro Magazine Top 50

ORBIT 360° DINING

- 2012 New Zealand Beef and Lamb Excellence Award
- 2013 New Zealand Beef and Lamb Excellence Award
- 2014 New Zealand Beef and Lamb Excellence Award

DEPOT EATERY AND OYSTER BAR

- 2012 *Cuisine* NZ Good Food Awards Restaurant of the Year Runner up
- 2013 *Cuisine* NZ Good Food Awards - 1 Hat
- 2013 *Cuisine* Restaurant Personality of the Year - Al Brown
- 2013 Metro Magazine Best Casual Bistro
- 2013 Metro Magazine Top 50
- 2014 Metro Magazine Top 50
- 2014 Metro Magazine Personality of the Year – Gatlin Avery

FEDERAL Delicatessen

- 2014 Metro Magazine Top 50

THE SUGAR CLUB

- 2014 New Zealand Beef and Lamb Excellence Award
- 2014 Metro Magazine Top 50

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Federal Street - Masu – Japanese Robata

Federal Street - Gusto Cucina and Bar

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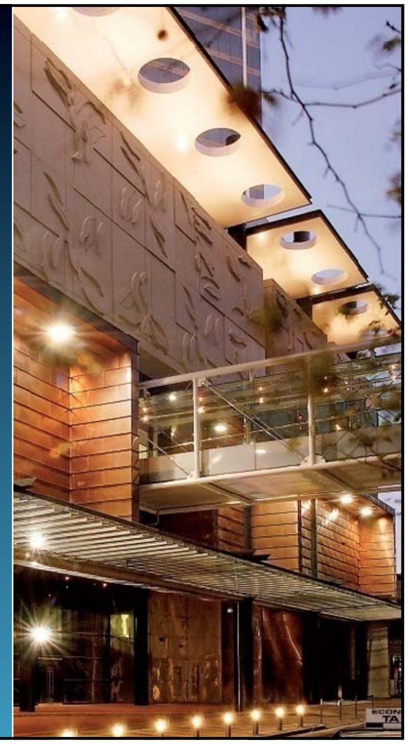
New Zealand International Convention Centre

Master Plan, Auckland



New Zealand International Convention Centre ("NZICC")

- SKYCITY and the Crown agreed and signed off the Concept Design for the NZICC in accordance with the NZICC Agreement
- SKYCITY is committed to achieving a design and development that will be aspirational, a landmark development for Auckland, and that will significantly enhance Auckland as an international destination for leading world conferences and conventions
- In addition to the development of a world-class International Convention Centre, the expanded Master Plan for the NZICC site, adjacent to SKYCITY Auckland property, now includes the planning and proposed development of:-
  - A 300 room five star hotel on Hobson Street adjacent to the NZICC
  - A laneway base construction connecting Hobson St and Nelson St
  - Additional car parking of 570 above those committed to in the NZICC agreement taking the total car park spaces above 1,350
- In assessing the feasibility of the proposed Hotel development, Howarth's were commissioned to report on market demand, occupancy and room rate, which confirmed the appropriateness of a 5 Star rating and the demand for additional rooms in an adjacent location

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New Zealand International Convention Centre ("NZICC")

- The new 5 Star Hotel, laneway and additional car parking are estimated to cost $170-$180 million. To assist in funding this we would divest our additional Federal St car park for circa $35m reducing the net incremental cost to circa $135-$145m. The phasing and the opportunity to joint venture this additional development, leaves us confident that we will be able to fund it through cash flows and funding facilities. Funding is discussed further on page 43
- There is circa $346m remaining to be committed for the development of the NZICC including the works to facilitate the gaming concessions. All of the site land has now been acquired
- We are intending to lodge an application for Resource Consent for the NZICC Master Plan by the fourth quarter of 2014
- We have detailed planning and Auckland consenting processes to get through before we can commence the tendering process for the construction contract. Given this, we expect to execute a construction contract by the end of this financial year, following which the NZICC Agreement gaming concessions will become effective

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Expanded NZICC Master Plan

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Expanded NZICC Master Plan – Hotel, Convention Centre Plaza

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Expanded NZICC Master Plan – New 5 Star Hotel

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Expanded NZICC Master Plan – Laneway

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Expanded NZICC Master Plan - Plenary

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Expanded NZICC Master Plan – Cross-Section View

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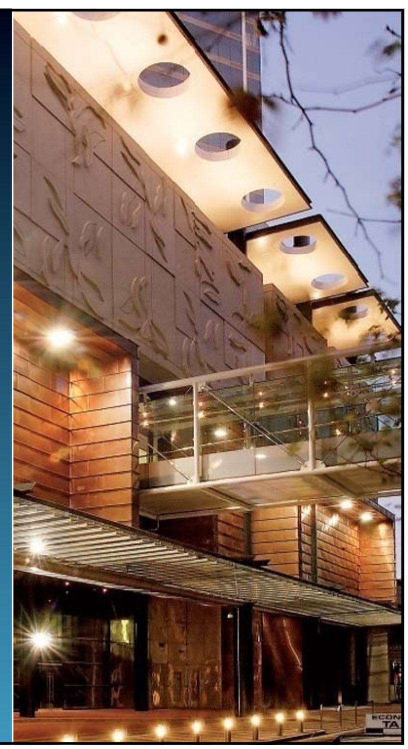
Transforming the existing Adelaide Casino



Transforming the Existing Adelaide Casino

- Between December and June 2014, we completed an extensive staged programme of works significantly transforming the Adelaide Casino, currently housed within the existing Heritage listed Adelaide Railway Station
- The extensive works that were completed over this period include:
  - New Baccarat Pavilion and Table Gaming area
  - New Platinum EGM room
  - Upgraded Grange Table Games room
  - Refurbishment of main gaming floor F&B outlets including Chandelier Bar and Cafe Junction
  - New cashiers facilities, loyalty reception areas and gaming support facilities
  - New Barossa Room
  - VIP customer Bar and Lounge

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Adelaide Casino Transformation – Completed Works

Baccarat Pavilion

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Adelaide Casino Transformation – Completed Works

Platinum Room

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Adelaide Casino Transformation – Completed Works

Barossa Room

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Adelaide Casino Transformation – Completed Works

VIP Customer Bar and Lounge

Adelaide Casino – The Transformation Continues

- Further redevelopment will be completed throughout the balance of calendar 2014 year, including:
  - **Sean's Kitchen** – a new and fully re-developed restaurant, bar and function concept in what was previously North Restaurant. This will be operated by celebrity chef Sean Connolly and scheduled to open late September 2014


Artist impression

  - A new contemporary offering, **"Madame Hanoi"** is proposed to replace the Loco Bar on North Terrace and will feature modern French-Vietnamese inspired bar and food menu by award winning Chef Nic Watt. This is scheduled to open late December 2014

Adelaide Casino – The Transformation Continues

- The Black Room - a new Premium Gaming area for top-tier Black level VIP EGM customers, offering an even more exclusive gaming experience, featuring private gaming salons, specifically positioned for interstate and international top level EGM gaming markets
- Private VIP Dining room to complement the VIP Bar facilities for exclusive use of Premium and VIP customers
- Refurbishment and upgrade of North Terrace entrance to the property

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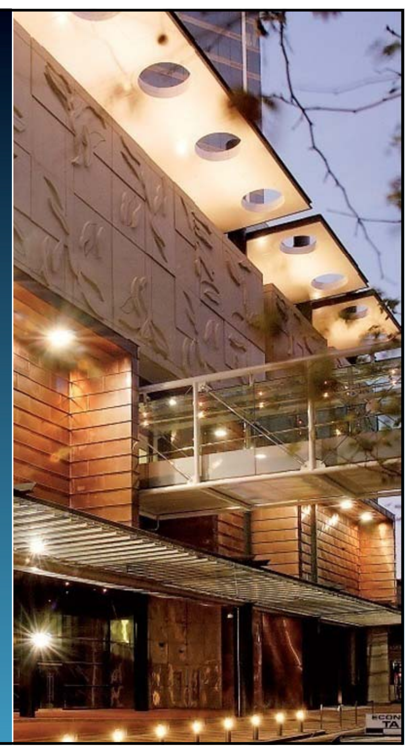
SKYCITY Adelaide Expansion Development



A New World Class Integrated Entertainment Complex

- During FY14, the focus has been on executing the redevelopment and transformation of the existing Adelaide Casino facilities and positioning the property to operate under the revised regulatory and taxation framework
- SKYCITY has, however, continued to develop detailed plans for the expansion of Adelaide Casino which includes the construction of a new contemporary iconic building housing SKYCITY's new 6 star Hotel, additional gaming capacity, Horizon Gaming suites and villas and additional signature restaurants and bars transforming the Adelaide Casino into an integrated tourism and entertainment complex. This work will become more of a priority during FY15
- SKYCITY remains confident of securing all the necessary design, planning and development approvals to undertake the project. Based upon the current status of discussions, subject to receipt of necessary Government approvals, the current completion date for the expansion development is expected by the end of FY17
- The State Government remains in discussions with the 3rd party Developer in relation to the adjacent Adelaide Festival Centre redevelopment and has sought to clarify the scope of the proposed development and finalise commercial terms with the developer. These include the terms under which both Government and SKYCITY will be provided with access to car parking. The Government has advised that SKYCITY will be provided with at least 1,000 spaces for its exclusive use, on similar terms to those of the State Government, as announced by the Premier in February 2014

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A New World Class Integrated Entertainment Complex

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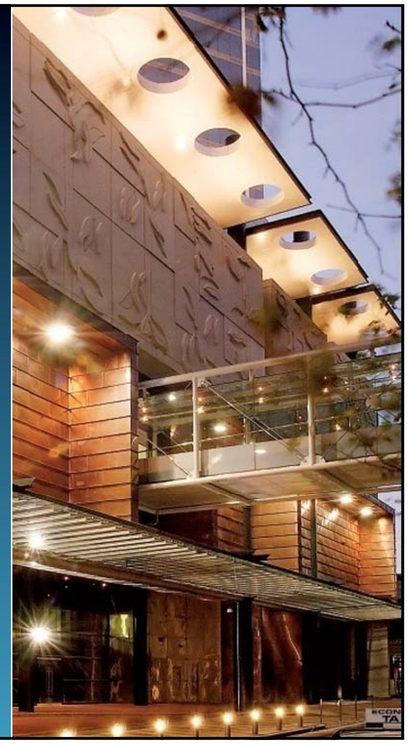
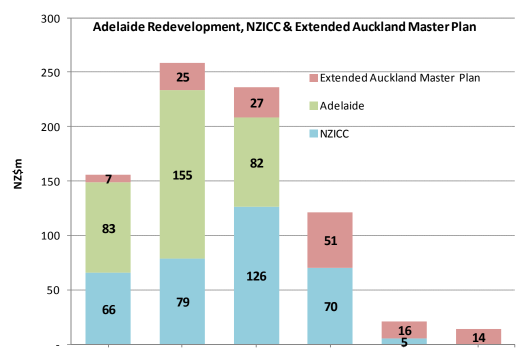
Capital Expenditure



NZICC Master Plan and Adelaide Expansion Development

Total cumulative capital expenditure on these major developments over the next 6 years to FY20 is estimated to be circa NZ$807m

- SKYCITY Adelaide Expansion Development – A$300m
- NZICC outstanding commitment $346m – including work to facilitate concessions
- NZICC Hotel development (net) $140m
- To date, $106m has been invested in the NZICC Master Plan, being primarily land and A$52m in Adelaide



Capex Spend	FY14	FY13
NZICC	$23.3m	$10.0m
Adelaide Development	$52.8m	$2.0m
Other Projects	$39.8m	$53.0m
Total Project Capex	**$115.9m**	**$65.0m**
Maintenance Capex	$52.2m	$57.0m
Total	**$168.1m**	**$122.0m**

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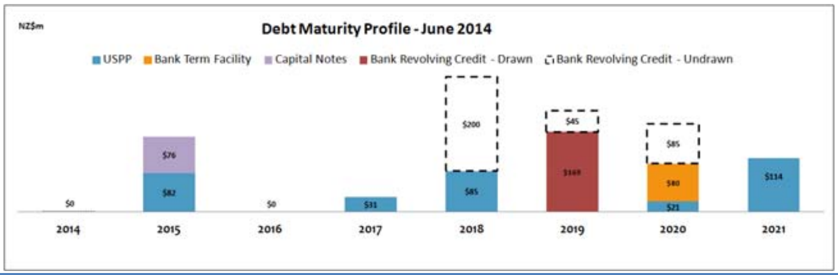
Existing Funding Facilities

- Net debt at 30 June 2014 is $659m. Average debt maturity is 4.3 years. Available committed and undrawn bank facilities total $330m, providing a total of $990m in committed facilities
- The next debt maturity is March 2015, when NZ$82m equivalent tranche of USPP matures
- The Capital Notes are a perpetual instrument, with the next interest reset date May 2015. Currently only $76m of the total $150m are issued, leaving $74m in Treasury Stock for future issue
- Of the $1 billion of committed facilities, only $190m matures before October 2018
- FY14 average borrowing cost is 6.92% (FY13: 6.97%)
- SKYCITY holds a Standard and Poor's Investment grade rating of BBB- (Stable outlook)



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Further Funding Options

- SKYCITY is planning to invest circa $807m in capex over the next 6 years to deliver the NZICC Master Plan and the SKYCITY Adelaide redevelopment project
- While we are confident we can fund this capex over the next 6 years through cashflows and debt facilities, we are considering a number of other options to assist with funding these major projects:
  - Active management of profile and timing of project capex
  - Entering into partnership or joint venture arrangements for the development of certain of the capital projects
  - Issuance of additional capital notes, on similar terms to those currently available
  - Issuance of debt securities attracting equity contribution for credit rating purposes
  - Sale of non-core assets, e.g. Federal Street car park
  - Continuation of a discount on the dividend reinvestment plan
- SKYCITY's capital plan indicate no additional funding facilities are required until early 2017, assuming rolling current debt

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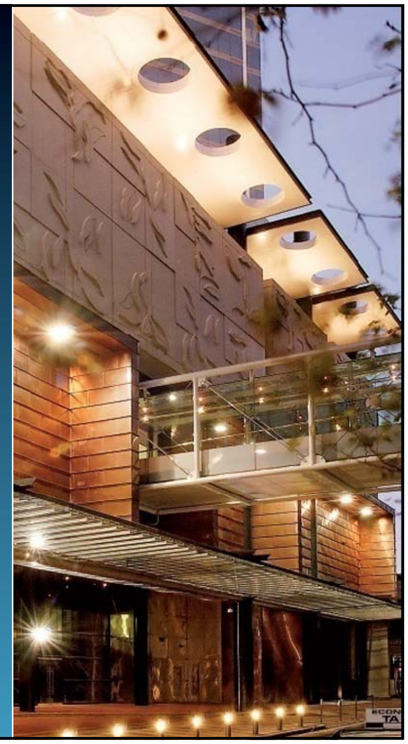
SKYCITY
ENTERTAINMENT GROUP

Conclusion

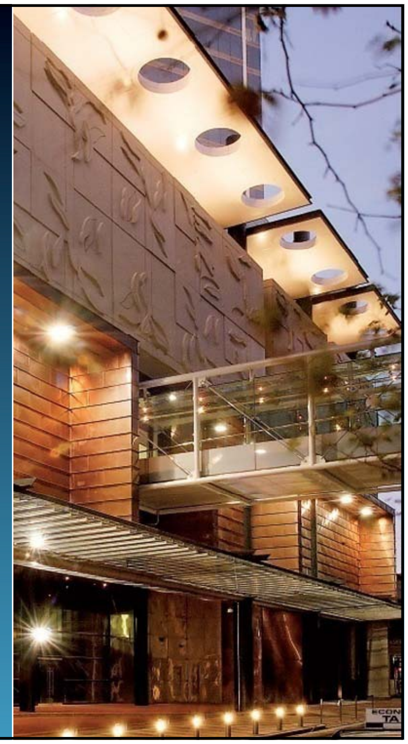


Conclusion

- Growth across our core businesses, underpinned by strong Auckland and International Business performance with good and sustained momentum in the second half FY14, has been masked by:
  - the continued significant appreciation of the New Zealand dollar against the Australian dollar over the FY14 year
  - the ongoing disruption at the existing Adelaide Casino of the extensive construction works as we transform the property to take advantage of the reforms negotiated with the SA Government
- Good momentum has continued into FY15 with revenues and EBITDA to 10 August experiencing good growth, with strong Auckland and IB performance and with the IB win rate back to theoretical
- Significant progress has been made with the transformation of the Adelaide Casino
- NZICC Concept Design agreed with the NZ Government - in addition to the agreed design SKYCITY has now included a 300 room five star hotel, additional car parking, retail and restaurants, lane-way access and air bridge in the Master Plan for the remaining land on the Hobson/Nelson street site
- Management focus for FY15:
  - Optimise the operating performance of our underlying businesses
  - Continue to actively manage the Adelaide re-development process
  - Progress the NZICC proposal – complete the final stages of planning and approvals and execute the construction contract

Appendices and Financial Summaries

Full Year Period Ended 30 June 2014



FY14 Group Result
Normalised Revenues and Earnings

Normalised	FY14 $m	FY13 $m	Movement $m	Movement %
Revenue (including Gaming GST)	927.3	945.7	(18.4)	(1.9%)
Gaming GST	83.9	85.0	1.1	1.3%
Revenue	**843.4**	**860.7**	**(17.3)**	**(2.0%)**
Expenses	555.8	560.2	4.4	0.8%
EBITDA	**287.6**	**300.5**	**(12.9)**	**(4.3%)**
Depreciation and Amortisation	79.6	76.0	(3.6)	(4.7%)
EBIT	**208.0**	**224.5**	**(16.5)**	**(7.3%)**
Interest Cost	44.4	46.5	2.1	4.5%
Net Profit Before Tax	**163.6**	**178.0**	**(14.4)**	**(8.1%)**
Tax and Minority Interest	40.4	44.0	3.6	8.2%
Normalised NPAT (excl Chch)	**123.2**	**134.0**	**(10.8)**	**(8.1%)**
Christchurch Casino	-	2.3		
Normalised NPAT (incl Chch)	**123.2**	**136.3**	**(13.1)**	**(9.6%)**

- *Revenue (including Gaming GST) is shown above to facilitate Australasian comparisons*
- *Normalised NPAT adjusts for certain items and International Business (IB) at theoretical win rate of 1.35% versus actual 0.97% in FY14 (FY13: 1.35%)*

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FY14 Group Result
Reported Revenues and Earnings

Reported	FY14 $m	FY13 $m	Movement $m	Movement %
Revenue (including Gaming GST)	902.5	947.8	(45.3)	(4.8%)
Gaming GST	81.0	85.0	4.0	4.7%
Revenue	821.5	862.8	(41.3)	(4.8%)
Expenses	565.0	568.9	3.9	0.7%
EBITDA	256.5	293.9	(37.4)	(12.7%)
Depreciation and Amortisation	80.8	76.8	(4.0)	(5.2%)
EBIT	175.7	217.1	(41.4)	(19.1%)
Interest Cost	48.0	49.3	1.3	2.6%
Profit from disposal of Christchurch Casino	0.9	0.1	0.8	800.0%
Net Profit Before Tax	128.6	167.9	(39.3)	(23.4%)
Tax and Minority Interest	30.1	40.6	10.5	25.9%
Reported NPAT	98.5	127.3	(28.8)	(22.6%)

- *Revenue (including Gaming GST) is shown above to facilitate Australasian comparisons*
- *FY13 includes Christchurch Casino $2.3m*

FY14 Revenue Summary by Property (incl Gaming GST)

		FY14 $m	FY13 $m	Movement $m	Movement %
New Zealand Casinos					
▪ Auckland		533.3	516.2	17.1	3.3%
▪ Other NZ		62.7	61.7	1.0	1.6%
Total New Zealand		596.0	577.9	18.1	3.1%
Australian Casinos					
▪ Adelaide	(A$)	166.2	160.4	5.8	3.6%
▪ Darwin	(A$)	133.1	133.5	(0.4)	(0.3%)
Total Australia	(A$)	299.3	293.9	5.4	1.8%
Total Australia at constant currency (1)	(NZ$)	374.0	367.8	6.2	1.7%
Normalised Revenues at constant currency (1)		970.0	945.7	24.3	2.6%
Exchange rate impact 0.8003 to 0.9049		(42.7)	-		
Normalised Revenues at actual currency		927.3	945.7	(18.4)	(1.9%)
Adjust International Business to actual win rate		(24.8)	(0.2)	(24.6)	
Christchurch Casino		-	2.3		
Reported Revenue at actual currency		902.5	947.8	(45.3)	(4.8%)

- *Revenue (including Gaming GST) is shown above to facilitate Australasian comparisons*
- *Normalised Revenue is adjusted for IB at theoretical win rate of 1.35%, versus actual 0.97% in FY14 (FY13: 1.35%)*
- *Average NZD/AUD cross-rate during FY14 0.9049 and FY13 0.8003*

(1) Constant currency translates FY14 Australian dollar results to NZ dollars at 0.8003

FY14 EBITDA Summary by Property

		FY14 $m	FY13 $m	Movement $m	Movement %
New Zealand Casinos					
▪ Auckland		**217.9**	209.8	8.1	3.9%
▪ Other NZ		**19.1**	22.7	(3.6)	(15.9%)
Total New Zealand		**237.0**	**232.5**	**4.5**	**1.9%**
Australian Casinos					
▪ Adelaide	(A$)	**33.8**	37.9	(4.1)	(10.8%)
▪ Darwin	(A$)	**36.3**	38.0	(1.7)	(4.5%)
Total Australia	(A$)	**70.1**	75.9	**(5.8)**	**(7.6%)**
Total Australia at constant currency (1)	(NZ$)	**87.6**	**95.0**	**(7.4)**	**(7.8%)**
Corporate Costs		**(27.1)**	**(27.0)**	(0.1)	(0.4%)
Normalised EBITDA at constant currency		**297.5**	**300.5**	**(3.0)**	**(1.0%)**
Exchange rate impact 0.8003 to 0.9049		**(9.9)**	-		
Normalised EBITDA at actual currency		**287.6**	**300.5**	**(12.9)**	**(4.3%)**
Adjustments		**(31.1)**	(6.6)		
Reported EBITDA at actual currency		**256.5**	**293.9**	**(37.4)**	**(12.7%)**

• Normalised EBITDA is adjusted for IB at theoretical win rate of 1.35%, versus actual 0.97% in FY14 (FY13: 1.35%)
• Average NZD/AUD cross-rate during FY14 0.9049 and FY13 0.8003
(1) Constant currency translates FY14 Australian dollar results to NZ dollars at 0.8003
(2) Adjustments are outlined on page 60

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SKYCITY Auckland FY14

	FY14 $m	FY13 $m	Movement $m	Movement %
Revenues				
Machines	**217.9**	212.9	5.0	2.3%
Tables – Local	**123.3**	123.2	0.1	0.1%
Local Gaming Revenue (incl GST)	**341.2**	336.1	**5.1**	**1.5%**
Tables – International (Normalised)	**58.6**	55.0	3.6	6.5%
Gross Gaming Revenue (incl GST)	**399.8**	**391.1**	**8.7**	**2.2%**
Food and Beverage	**52.1**	46.6	5.5	11.8%
Hotels and Conventions	**58.4**	57.0	1.4	2.5%
Sky Tower, Parking, Other	**23.0**	21.5	1.5	7.0%
Non-Gaming Revenue	**133.5**	**125.1**	**8.4**	**6.7%**
Total Revenue (incl gaming GST)	**533.3**	**516.2**	**17.1**	**3.3%**
Gaming GST	**51.8**	50.3	(1.5)	(3.0%)
Total Revenue (excl gaming GST)	**481.5**	**465.9**	**15.6**	**3.3%**
Expenses	**263.6**	256.1	(7.5)	(2.9%)
Normalised EBITDA – Local	***204.1***	*196.8*	*7.3*	*3.7%*
Normalised EBITDA – IB	***13.8***	*13.0*	*0.8*	*6.2%*
Normalised EBITDA including IB	**217.9**	**209.8**	**8.1**	**3.9%**
EBITDA Margin	***40.9%***	***40.6%***		

• Gaming revenue figures as shown 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

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International Business – Consolidated Group Result

	FY14	FY13	Movement		FY14	FY13
Turnover	$b	$b	$b	%	Actual Win %	
Auckland (NZ$)	4.3	4.1	0.3	6.5%	0.96%	1.38%
Other (NZ$)	0.2	0.1	0.1	82.2%	1.37%	1.41%
Adelaide (AU$)	1.3	0.7	0.7	94.9%	1.07%	1.24%
Darwin (AU$)	0.5	0.6	(0.1)	(9.6%)	0.58%	1.43%
Total Turnover (NZ$)	6.5	5.7	0.8	14.3%	0.97%	1.35%
Normalised Revenue (incl Gaming GST)	$m	$m	$m	%	Theoretical Win %	
Auckland (NZ$)	58.6	55.0	3.6	6.5%	1.35%	1.35%
Other (NZ$)	2.3	1.3	1.0	82.2%	1.35%	1.35%
Adelaide (AU$)	18.1	9.3	8.8	94.9%	1.35%	1.35%
Darwin (AU$)	6.8	7.5	(0.7)	(9.6%)	1.35%	1.35%
Total Normalised Revenue (NZ$)	88.0	77.1	10.9	14.3%	1.35%	1.35%

	FY14	FY13	Movement		FY14	FY13
Normalised EBITDA	$m	$m	$m	%	Normalised EBITDA %	
Auckland	13.8	13.0	0.8	6.2%	23.5%	23.6%
Other	0.6	0.3	0.3	100.0%	26.1%	23.1%
Adelaide (AU$)	5.0	2.7	2.3	85.2%	27.6%	29.0%
Darwin (AU$)	(0.1)	0.7	(0.8)	(114.3%)	(1.5%)	9.3%
Total Normalised EBITDA	19.7	17.7	2.0	11.3%	22.4%	23.0%
Total Reported EBITDA	(2.2)	11.9	(14.1)	(118.5%)		

- *Adelaide and Darwin are shown in AUD. The totals in each section have Australian numbers converted at the relevant exchange in each month of FY14*
- *Average NZD/AUD cross-rate during FY14 0.9049 and FY13 0.8003*

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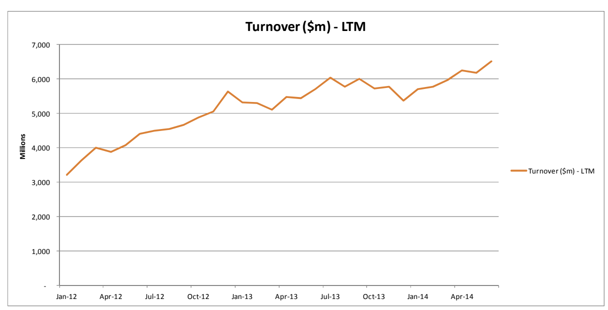
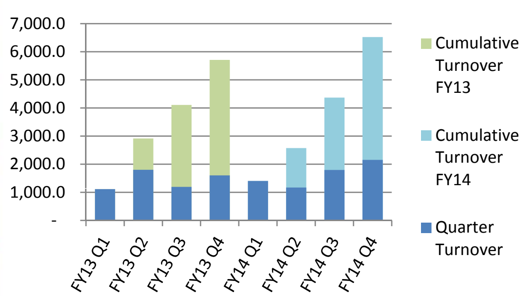
International Business – Trend Analysis

	Q1	Q2	Q3	Q4	FY
IB FY14 Win Rate	1.45	1.08	0.30	1.16	0.97
IB FY13 Win Rate	0.22	1.58	2.03	1.36	1.35
IB FY12 Win Rate	1.56	1.72	0.77	0.89	1.13





- A record second half turnover of nearly $4b brought FY14 turnover to $6.5b, up 14.3%
- Lower than average win rates led to a reported EBITDA loss

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Adelaide Casino FY14

	FY14 A$m	FY13 A$m	Movement A$m	Movement %
Revenues				
Machines	**57.3**	59.9	(2.6)	(4.3%)
Tables – Local	**76.7**	75.7	1.0	1.3%
Local Gaming Revenue (incl GST)	**134.0**	**135.6**	**(1.6)**	**(1.2%)**
Tables – International (Normalised)	**18.1**	9.3	8.8	94.6%
Gross Gaming Revenue (incl GST)	**152.1**	**144.9**	**7.2**	**5.0%**
Food and Beverage, Other	**14.1**	15.5	(1.4)	(9.0%)
Total Revenue (incl gaming GST)	**166.2**	**160.4**	**5.8**	**3.6%**
Gaming GST	**13.9**	13.2	(0.7)	(5.3%)
Total Revenue (excl gaming GST)	**152.3**	**147.2**	**5.1**	**3.5%**
Expenses	**118.5**	109.3	(9.2)	(8.4%)
Normalised EBITDA – Local	**28.8**	35.2	(6.4)	(18.2%)
Normalised EBITDA – IB	**5.0**	2.7	2.3	85.2%
Normalised EBITDA	**33.8**	**37.9**	**(4.1)**	**(10.8%)**
EBITDA Margin	**20.3%**	**23.6%**		

- *Gaming revenue figures as shown 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*

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SKYCITY Darwin FY14

	FY14 A$m	FY13 A$m	Movement A$m	Movement %
Revenues				
Machines	**60.2**	60.8	(0.6)	(1.0%)
Tables – Local	**17.3**	17.3	0.0	0.0%
Keno	**16.8**	16.8	0.0	0.0%
Local Gaming Revenue (incl GST)	**94.3**	**94.9**	**(0.6)**	**(0.6%)**
Tables – International (Normalised)	**6.8**	7.5	(0.7)	(9.3%)
Gross Gaming Revenue (incl GST)	**101.1**	**102.4**	**(1.3)**	**(1.3%)**
Food and Beverage, Hotel, Other	**32.0**	31.1	0.9	2.9%
Total Revenue (incl gaming GST)	**133.1**	**133.5**	**(0.4)**	**(0.3%)**
Gaming GST	**9.2**	9.2	0.0	0.0%
Total Revenue (excl gaming GST)	**123.9**	**124.3**	**(0.4)**	**(0.3%)**
Expenses	**87.6**	86.3	(1.3)	(1.5%)
Normalised EBITDA – Local	**36.4**	**37.3**	**(0.9)**	(2.4%)
Normalised EBITDA – IB	**(0.1)**	**0.7**	**(0.8)**	(114.3%)
Normalised EBITDA	**36.3**	**38.0**	**(1.7)**	**(4.5%)**
EBITDA Margin	**27.3%**	**28.5%**		

- *Gaming revenue figures as shown 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*

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Other NZ FY14

	FY14 $m	FY13 $m	Movement $m	%
Revenues				
Hamilton	**48.3**	51.9	(3.6)	(6.9%)
Queenstown	**11.4**	7.6	3.8	50.0%
International Business	**2.3**	1.3	1.0	76.9%
Other	**0.7**	0.9	(0.2)	(22.2%)
Total Revenue (incl gaming GST)	**62.7**	**61.7**	**1.0**	**1.6%**
Gaming GST	**6.8**	6.7	(0.1)	(1.5%)
Total Revenue (excl gaming GST)	**55.9**	**55.0**	**0.9**	**1.6%**
Expenses	**36.8**	32.3	(4.5)	(13.9%)
Normalised EBITDA – Local	**18.5**	**22.4**	**(3.9)**	**(17.4%)**
Normalised EBITDA – IB	**0.6**	**0.3**	**0.3**	**100.0%**
Normalised EBITDA	**19.1**	**22.7**	**(3.6)**	**(15.9%)**
EBITDA Margin	**30.5%**	**36.8%**		

- *Gaming revenue figures as shown 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*

Final Dividend of 10 cents per share

	FY14	FY13	Movement	
Dividend – NZ$	**20.0 cps**	**20.0 cps**	**0.0 cps**	**0.0%**
Dividend – A$*	**18.3 cps**	**17.7 cps**	**0.6 cps**	**3.4%**

The final dividend of 10.0 cents per share takes the total dividend to 20.0 cents per share, which is consistent with prior year

The final dividend of 10 cents per share is consistent with the prior year
- for Australian shareholders, given the strengthening of the NZD to current rates, this would be a 3.4% increase*

- Based on a share price of $3.57, this represents an annual gross dividend yield of 6.7%
- The dividend is calculated in accordance with the previously announced policy of:
  - an annual dividend of not less than 20 cents per share, and
  - not less than 80% of Annual Normalised NPAT
- The final FY14 dividend will be 100% imputed in New Zealand, nil franking for Australia
- Subject to available credits, the FY14 interim dividend will be franked in Australia
- The Dividend Reinvestment Plan will be available for the FY14 final dividend with a 2% discount
- The payment date is 3 October 2014 (entitlement / record date 19 September 2014)

** For illustrative purposes, converting Interim Dividend cps to A$, FY14 converted at the 9th of August 2014 rate of 0.9130 and FY13 at the 9th of August 2013 rate of 0.8846*

Normalised P&L Summary by Business Unit – FY14

Normalised P&L Summary by Business Unit Excluding Chch

New Zealand operations expressed in NZ$m Australian operations expressed in A$m (normalised)	FY14									FY13										
	Auckland NZ$m	Adelaide A$m	Darwin A$m	Total Australia A$m	Total Australia NZ$m	Hamilton NZ$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$m	Other NZ Operations NZ$m	Corporate NZ$m	SKYCITY Group ex-Chch NZ$m	Christchurch NZ$m	SKYCITY Group incl-Chch NZ$m
Gross Gaming revenue	399.8	152.1	101.1	253.2	280.1	40.6	11.6	0.0	732.1	391.1	144.9	102.4	247.3	309.4	43.5	7.8	0.0	751.8	0.0	751.8
Non-Gaming Revenue	133.5	14.1	32.0	46.1	51.2	7.8	2.7	0.0	195.2	125.1	15.5	31.1	46.6	58.4	8.5	1.9	0.0	193.9	2.3	196.2
Total Revenue (incl Gaming GST)	**533.3**	**166.2**	**133.1**	**299.3**	**331.3**	**48.4**	**14.3**	**0.0**	**927.3**	**516.2**	**160.4**	**133.5**	**293.9**	**367.8**	**52.0**	**9.7**	**0.0**	**945.7**	**2.3**	**948.0**
Gaming GST	(51.8)	(13.9)	(9.2)	(23.1)	(25.3)	(5.3)	(1.5)	0.0	(83.9)	(50.3)	(13.2)	(9.2)	(22.4)	(28.0)	(5.7)	(1.0)	0.0	(85.0)	0.0	(85.0)
Total Revenue (excl Gaming GST)	**481.5**	**152.3**	**123.9**	**276.2**	**306.0**	**43.1**	**12.8**	**0.0**	**843.4**	**465.9**	**147.2**	**124.3**	**271.5**	**339.8**	**46.3**	**8.7**	**0.0**	**860.7**	**2.3**	**863.0**
Expenses	263.6	118.5	87.6	206.1	228.3	25.9	10.9	27.1	555.8	256.1	109.3	86.3	195.6	244.8	25.4	6.9	27.0	560.2	0.0	560.2
EBITDA	**217.9** 40.9%	**33.8** 20.3%	**36.3** 27.3%	**70.1** 23.4%	**77.7** 23.5%	**17.2** 35.5%	**1.9** 13.3%	**(27.1)**	**287.6** 31.0%	**209.8** 40.6%	**37.9** 23.6%	**38.0** 28.5%	**75.9** 25.8%	**95.0** 25.8%	**20.9** 40.2%	**1.8** 18.6%	**(27.0)**	**300.5** 31.8%	**2.3**	**302.8** 31.9%
Depreciation	42.7	7.0	11.9	18.9	20.9	4.0	1.0	2.4	71.0	39.5	6.9	10.6	17.5	21.8	4.0	0.8	2.3	68.4	0.0	68.4
Amortisation	1.0	3.5	0.2	3.7	4.1	0.2	0.0	3.3	8.6	0.9	2.3	0.4	2.7	3.3	0.1	0.0	3.3	7.6	0.0	7.6
EBIT	**174.2** 32.7%	**23.3** 14.0%	**24.2** 18.2%	**47.5** 15.9%	**52.7** 15.9%	**13.0** 26.9%	**0.9** 6.3%	**(32.8)**	**208.0** 22.4%	**169.4** 32.8%	**28.7** 17.9%	**27.0** 20.2%	**55.7** 19.0%	**69.9** 19.0%	**16.8** 32.3%	**1.0** 10.3%	**(32.6)**	**224.5** 23.7%	**2.3** 100.0%	**226.8** 23.9%
Funding									44.4									46.5		46.5
Net Profit before tax									**163.6** 17.6%									**178.0** 18.8%		**180.3** 19.0%
Tax									40.4									43.9		43.9
Minority Interest (Queenstown)									0.0									0.1		0.1
Normalised Net Profit									**123.2**									**134.0**		**136.3**

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

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Reported and Normalised Earnings

	FY14				FY13			
	Revenue $m	EBITDA $m	EBIT $m	NPAT $m	Revenue $m	EBITDA $m	EBIT $m	NPAT $m
Reported	**902.5**	**256.5**	**175.7**	**98.5**	**947.8**	**293.9**	**217.1**	**127.3**
Adelaide transformation costs		4.3	4.3	3.0				
NZICC		0.3	0.3	2.8				2.0
Strategic project and development costs		1.4	1.4	1.0		1.6	1.6	1.4
Restructuring costs		2.3	2.3	1.7		1.6	1.6	1.1
Profit from sale of Christchurch				(0.9)				(0.1)
Auckland transformation costs		0.9	2.1	1.5			0.8	0.6
Total Adjustments		**9.2**	**10.4**	**9.1**		**3.2**	**4.0**	**5.0**
Adjusted	**902.5**	**265.7**	**186.1**	**107.6**	**947.8**	**297.1**	**221.1**	**132.3**
Provision for IB Debtors		0.2	0.2	0.2		2.4	2.4	1.7
International Business at Theoretical	24.8	21.7	21.7	15.4	0.2	3.3	3.3	2.3
Normalised incl Chch	**927.3**	**287.6**	**208.0**	**123.2**	**948.0**	**302.8**	**226.8**	**136.3**
Results from Christchurch Casino	-	-	-	-	2.3	2.3	2.3	2.3
Normalised	**927.3**	**287.6**	**208.0**	**123.2**	**945.7**	**300.5**	**224.5**	**134.0**

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

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Reported and Normalised Earnings

- SKYCITY's objective of producing normalised financial information is to provide data that is useful to the investment community in understanding the underlying operations of the Group
- Gaming Revenue figures reflect gaming win (inclusive of gaming GST). This facilitates Australasian comparisons and is consistent with the treatment adopted by major Australian casinos
- 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

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Reported and Normalised Earnings

- Key Adjustments are:

  Adelaide transformation costs – business transformation and launch costs for Adelaide

  NZICC – Interest on purchase of New Zealand International Convention Centre (NZICC) land bank calculated using the Group's average cost of debt of 6.92% on an average balance of $52m and other costs specific to this project

  Strategic project and development costs - The Wharf acquisition, Brisbane, Gold Coast, Philippines and other miscellaneous items

  Restructuring costs – costs associated with changing the staffing structures designed to create future efficiencies

  Profit from sale of Christchurch – insurance recoveries from 2011 earthquake damage

  Auckland transformation costs – business transformation and launch costs related to Auckland facilities

- IB win rate at 0.97% for FY14 (FY13: 1.35%).
- Normalisation adjustments have been calculated in a consistent manner in FY14 and FY13

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Australian Dollar Earnings
Adelaide and Darwin

- FY14 NPAT result comparison to FY13 is impacted by NZD / AUD exchange rate
- Average NZD / AUD cross-rate during FY14 0.9049
- Average NZD / AUD cross-rate during FY13 0.8003
- Restating FY14 at 0.8003 to remove the FX differential would have the following impact

  FY14 Reported EBITDA (+$8.8m)

  FY14 Normalised EBITDA (+$9.9m)

  FY14 Reported NPAT (+$2.5m)

  FY14 Normalised NPAT (+$3.4m)

Disclaimer

- *All information included in this presentation is provided as at 13 August 2014*
- *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*

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: 13 / 8 / 2014

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	[X]	If ticked, state whether: Interim [ ] Full Year [X] Special [ ]	DRP Applies [X]

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:

Tick if pari passu [ ] *OR* *provide an explanation of the ranking*:

Strike price per security for any issue in lieu or date Strike Price available.

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)	**$0.1000**
Excluded income per security (only applicable to listed PIEs)	
Currency	**NZ Dollars**
Total monies	**$58,208,809**

Source of Payment: **Profit**

Supplementary dividend details - NZSX Listing Rule 7.12.7

Amount per security in dollars and cents	**$0.017647**
Date Payable	**3 October, 2014**

Taxation

Amount per Security in Dollars and cents to six decimal places

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

Resident Withholding Tax	**$0.006944**	Imputation Credits (Give details)	**$0.038889**
Foreign Withholding Tax	$	FWP Credits (Give details)	

Timing (Refer Appendix 8 in the NZSX Listing Rules)

Record Date 5pm
For calculation of entitlements -: **19 September, 2014**

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.: **3 October, 2014**

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 2014

For and on behalf of the Board:

Chris Moller
Chairman

Bruce Carter
Chairman of the Audit and Financial Risk Committee

13 August 2014

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 on pages 1 to 47, which comprise the balance sheets as at 30 June 2014, the income statements, statements of comprehensive income, the 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 2014 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 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 47:

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

(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 2014, and its 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 2014:

(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.

PricewaterhouseCoopers

Chartered Accountants
13 August 2014

Auckland

	Notes	Consolidated 2014 $'000	Consolidated 2013 $'000	Parent 2014 $'000	Parent 2013 $'000
Total receipts including GST	4	**928,228**	970,651	**-**	-
Less non-gaming GST	4	**(26,694)**	(26,148)	**-**	-
Gaming win plus non-gaming revenue	4	**901,534**	944,503	**-**	-
Less gaming GST	4	**(81,051)**	(84,954)	**-**	-
Revenue	4	**820,483**	859,549	**-**	-

	Notes	Consolidated 2014 $'000	Consolidated 2013 $'000	Parent 2014 $'000	Parent 2013 $'000
Revenue	4	**820,483**	859,549	**-**	-
Other income	5	**1,000**	1,022	**122,969**	113,484
Shares of net profits of associates		**-**	2,245	**-**	-
Employee benefits expense		**(280,009)**	(281,281)	**(13,578)**	(15,048)
Other expenses	6	**(121,007)**	(119,447)	**(7,705)**	(6,904)
Direct consumables		**(68,028)**	(67,453)	**-**	-
Gaming taxes and levies		**(55,361)**	(61,573)	**-**	-
Marketing and communications		**(30,343)**	(34,796)	**(1,520)**	(1,452)
Directors' fees		**(1,130)**	(1,123)	**(1,130)**	(1,123)
Depreciation and amortisation expense	6	**(80,769)**	(76,784)	**(5,667)**	(5,593)
Restructuring costs	6	**(9,170)**	(3,235)	**(792)**	(1,694)
Finance costs - net	7	**(48,049)**	(49,263)	**(4,902)**	(4,178)
Gain on disposal of associate	16	**934**	59	**-**	-
Profit before income tax		**128,551**	167,920	**87,675**	77,492
Tax expense	8	**(30,014)**	(40,538)	**(384)**	(1,479)
Profit for the year		**98,537**	127,382	**87,291**	76,013
Attributable to:					
Profit attributable to shareholders of the company		**98,537**	127,289	**87,291**	76,013
Non controlling interest	25	**-**	93	**-**	-
		98,537	127,382	**87,291**	76,013

	Notes	Cents 2014	Cents 2013
Earnings per share for profit attributable to the shareholders of the company:			
Basic earnings per share	9	**17.0**	22.1
Diluted earnings per share	9	**17.0**	22.1

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

	Notes	Consolidated 2014 $'000	Consolidated 2013 $'000	Parent 2014 $'000	Parent 2013 $'000
Profit for the year		**98,537**	127,382	**87,291**	76,013
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of overseas subsidiaries	24	**(27,102)**	(24,213)	**-**	-
Movement in cash flow hedges	24	**(4,546)**	10,878	**-**	-
Income tax relating to components of other comprehensive income	24	**1,375**	(3,118)	**-**	-
Other comprehensive income for the year		**(30,273)**	(16,453)	**-**	-
Total comprehensive income for the year, net of tax		**68,264**	110,929	**87,291**	76,013
Total comprehensive income for the year is attributable to:					
Shareholders of the company		**68,264**	110,836		
Non controlling interest	25	**-**	93		
		68,264	110,929		

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

	Notes	Consolidated 2014 $'000	Consolidated 2013 $'000	Parent 2014 $'000	Parent 2013 $'000
ASSETS					
Current assets					
Cash and bank balances	10	**54,052**	51,131	**1**	1
Receivables and prepayments	11	**18,810**	20,398	**53,227**	53,278
Inventories		**7,871**	7,416	**-**	-
Tax prepayment	12	**33,158**	38,227	**-**	-
Derivative financial instruments	13	**769**	692	**-**	-
Total current assets		**114,660**	117,864	**53,228**	53,279
Non-current assets					
Tax prepayment	12	**21,183**	16,624	**-**	-
Property, plant and equipment	14	**1,141,947**	1,093,982	**7,227**	7,287
Investment in subsidiaries	30	**-**	-	**628,387**	623,595
Intangible assets	15	**537,648**	389,639	**11,046**	10,231
Derivative financial instruments	13	**15,889**	33,910	**-**	-
Total non-current assets		**1,716,667**	1,534,155	**646,660**	641,113
Total assets		**1,831,327**	1,652,019	**699,888**	694,392
LIABILITIES					
Current liabilities					
Payables	17	**119,500**	105,399	**278,823**	273,746
Interest bearing liabilities	18	**81,724**	-	**-**	-
Derivative financial instruments	13	**10,753**	304	**-**	-
Subordinated debt - capital notes	20	**76,441**	-	**76,441**	-
Total current liabilities		**288,418**	105,703	**355,264**	273,746
Non-current liabilities					
Interest bearing liabilities	18,19	**498,935**	558,806	**-**	-
Subordinated debt - capital notes	20	**-**	56,427	**-**	56,427
Deferred tax liabilities	21	**75,715**	87,603	**1,863**	1,479
Derivative financial instruments	13	**28,833**	30,589	**-**	-
Deferred licence value	15	**165,541**	-	**-**	-
Total non-current liabilities		**769,024**	733,425	**1,863**	57,906
Total liabilities		**1,057,442**	839,128	**357,127**	331,652
Net assets		**773,885**	812,891	**342,761**	362,740
EQUITY					
Share capital	23	**737,546**	729,395	**737,546**	729,395
Reserves	24(a)	**(48,576)**	(18,303)	**-**	-
Retained profits/(losses)	24(b)	**84,915**	101,799	**(394,785)**	(366,655)
Total equity		**773,885**	812,891	**342,761**	362,740

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

Consolidated	Notes	**Share capital $'000**	**Hedging reserves $'000**	**Foreign currency translation reserve $'000**	**Retained profits $'000**	**Minority interest $'000**	**Total equity $'000**
Balance as at 1 July 2012		727,598	(13,355)	11,505	81,690	1,704	809,142
Total comprehensive income/(expense)		-	7,760	(24,213)	127,289	93	110,929
Dividends	26	-	-	-	(103,856)	-	(103,856)
Share rights issued for employee services	23	1,394	-	-	-	-	1,394
Repayment of non controlling interest	25	-	-	-	-	(121)	(121)
Acquisition of non controlling interest	25	-	-	-	(3,324)	(1,676)	(5,000)
Net purchase of treasury shares	23	403	-	-	-	-	403
Balance as at 30 June 2013		729,395	(5,595)	(12,708)	101,799	-	812,891
Balance as at 1 July 2013		729,395	(5,595)	(12,708)	101,799	-	812,891
Total comprehensive income/(expense)		-	(3,171)	(27,102)	98,537	-	68,264
Dividends	26	-	-	-	(115,421)	-	(115,421)
Shares issued under dividend reinvestment plan	23	20,126	-	-	-	-	20,126
Share rights issued for employee services	23	1,238	-	-	-	-	1,238
Net purchase of treasury shares	23	(13,213)	-	-	-	-	(13,213)
Balance as at 30 June 2014		737,546	(8,766)	(39,810)	84,915	-	773,885

Parent	Notes	**Share capital $'000**	**Retained losses $'000**	**Total equity $'000**
Balance as at 1 July 2012		727,598	(338,812)	388,786
Total comprehensive income/(expense)		-	76,013	76,013
Dividends	26	-	(103,856)	(103,856)
Share rights issued for employee services	23	1,394	-	1,394
Net purchase of treasury shares	23	403	-	403
Balance as at 30 June 2013		729,395	(366,655)	362,740
Balance as at 1 July 2013		729,395	(366,655)	362,740
Total comprehensive income/(expense)		-	87,291	87,291
Dividends	26	-	(115,421)	(115,421)
Share rights issued for employee services	23	1,238	-	1,238
Net purchase of treasury shares	23	(13,213)	-	(13,213)
Shares issued under dividend reinvestment plan	23	20,126	-	20,126
Balance as at 30 June 2014		737,546	(394,785)	342,761

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

		Consolidated		Parent	
	Notes	**2014 $'000**	2013 $'000	**2014 $'000**	2013 $'000
Cash flows from operating activities					
Receipts from customers		**820,259**	861,559	**-**	-
Payments to suppliers and employees		**(501,268)**	(515,501)	**(26,124)**	(25,252)
		318,991	346,058	**(26,124)**	(25,252)
Dividends received		**5**	1,616	**-**	-
Interest received		**-**	69	**-**	-
Gaming tax paid		**(48,206)**	(54,402)	**-**	-
Income taxes paid		**(40,017)**	(36,394)	**-**	-
Net cash inflow / (outflow) from operating activities	33	**230,773**	256,947	**(26,124)**	(25,252)
Cash flows from investing activities					
Purchase of/proceeds from property, plant and equipment		**(156,164)**	(111,785)	**-**	-
Payments for intangible assets		**(11,899)**	(11,489)	**-**	-
Non controlling interest share repurchase		**-**	(121)	**-**	-
Purchase of non controlling interest in Queenstown Casinos Limited		**-**	(5,000)	**-**	-
Loan repayment from Christchurch Hotels Limited		**-**	527	**-**	-
Loan repayment from Christchurch Hotels Limited as part of the disposal		**-**	4,598	**-**	-
Proceeds from sale of Christchurch Casinos Limited		**1,440**	75,402	**-**	-
Dividend from subsidiaries		**-**	-	**122,969**	113,484
Net cash inflow / (outflow) from investing activities		**(166,623)**	(47,868)	**122,969**	113,484
Cash flows from financing activities					
Cash flows associated with derivatives	13	**9,202**	(3,695)	**-**	-
Drawdown/(repayment) of borrowings		**67,193**	(43,000)	**-**	-
Proceeds from sale of capital notes		**20,000**	-	**20,000**	-
Advances from subsidiaries	29	**-**	-	**(3,621)**	19,397
Net purchase of treasury shares	23	**(13,213)**	403	**(13,213)**	403
Dividends paid to company shareholders	26	**(95,295)**	(103,856)	**(95,295)**	(103,856)
Interest paid		**(49,116)**	(49,200)	**(4,716)**	(4,176)
Net cash (outflows) from financing activities		**(61,229)**	(199,348)	**(96,845)**	(88,232)
Net increase / (decrease) in cash and bank balances		**2,921**	9,731	**-**	-
Cash and bank balances at the beginning of the year		**51,131**	41,400	**1**	1
Cash and cash equivalents at end of year	10	**54,052**	51,131	**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 13 August 2014.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These general purpose financial statements for the year ended 30 June 2014 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 2014 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 negative working capital balance as the capital notes and some of the USPP debt mature within the next twelve months. The Group has significant available undrawn committed banking facilities totalling $330 million as at 30 June 2014 (refer to note 19) 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 of 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.

(i) Impairment testing

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 15).

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.

(ii)Deferred Tax

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 21). Certain judgements are made in calculating these temporary differences.

(iii) Fair value of regulatory reforms

Regulatory reforms were granted to the Group in relation to the Adelaide casino licence. These reforms were measured at fair value using a discounted cashflow model. This calculation requires the use of estimates (Refer note 15)

(b) Principles of Consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated 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.

(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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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.

(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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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

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.

(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).

(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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 transaction 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).

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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 are 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) Other 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) Regulatory reforms associated with casino licences

Regulatory reforms granted which are specific to the Group are initially recognised at their fair value where there is a reasonable assurance that the reforms will be received and the Group will comply with all conditions attached.

Regulatory reforms are recognised as an intangible asset and included within the value of casino licences. Where a regulatory reform is related to property, plant and equipment the carrying value of property, plant and equipment is reduced by the value of the regulatory reforms once constructed. Prior to construction of the related property, plant and equipment it is accounted for as a regulatory reform in advance.

(iv) 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 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 2014 or later periods, but which the Group has not early adopted. The significant items are:

- **NZ IFRS 9, Financial Instruments** (effective from annual periods beginning on or after 1 January 2018). This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

  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 NZ 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.

  NZ IFRS 9 (2013) is a revised version of NZ IFRS 9. The revised standard incorporates new hedge accounting requirements including changes to hedge effectiveness testing, treatment of hedging costs, risk components that can be hedged and disclosures.

  NZ IFRS 9 (2014) Financial Instruments requires the use of the expected credit losses model when calculating impairment of financial instruments.

  This standard is not expected to significantly impact the Group.

- **NZ IFRS 15, Revenue from contracts with customers, (effective for annual periods beginning on or after 1 January 2017)** NZ IFRS 15 addresses recognition of revenue from contracts with customers. It replaces the current revenue recognition guidance in NZ IAS 18 Revenue and NZ IAS 11 Construction contracts and is applicable to all entities with revenue. It sets out a 5 step model for revenue recognition to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Group has yet to assess NZ IFRS 15's full impact. The Group will apply this standard from 1 July 2017.

(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.

The Group has adopted External Reporting Board Standard A1 Accounting Standards Framework (For-profit Entities Update) (XRB A1). XRB A1 establishes a for-profit tier structure and outlines which suite of accounting standards entities in different tiers must follow. The Group is a Tier 1 entity. There was no impact on the current or prior year financial statements.

During the period the Group adopted NZ IFRS 13 Fair Value Measurement. As a result a limited number of disclosures have been added to these financial statements. There has been no material impact on the Income Statement or Balance Sheet.

3 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, 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, SKYCITY Wharf and Christchurch Casino (sold December 2012).

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.

2014	SKYCITY AUCKLAND $'000	REST OF NEW ZEALAND $'000	SKYCITY ADELAIDE $'000	SKYCITY DARWIN $'000	INTER - NATIONAL BUSINESS $'000	CORPORAT E / GROUP $'000	TOTAL $'000
Revenue from external customers and other income	430,519	53,949	150,504	130,704	55,807	-	821,483
Shares of net profits of associates	-	934	-	-	-	-	934
Less							
Expenses	(226,366)	(35,426)	(118,465)	(90,298)	(58,083)	(36,410)	(565,048)
Depreciation and amortisation	(44,898)	(5,269)	(11,508)	(13,425)	-	(5,669)	(80,769)
Segment profit/EBIT	159,255	14,188	20,531	26,981	(2,276)	(42,079)	176,600
Finance costs							(48,049)
Profit before income tax							128,551
Segment assets	726,167	62,786	454,450	339,401	-	248,523	1,831,327
Net additions to non-current assets (other than financial assets and deferred tax)	17,417	7,849	47,899	8,691	-	73,192	155,048

2013	SKYCITY AUCKLAND $'000	REST OF NEW ZEALAND $'000	SKYCITY ADELAIDE $'000	SKYCITY DARWIN $'000	INTER - NATIONAL BUSINESS $'000	CORPORAT E / GROUP $'000	TOTAL $'000
Revenue from external customers and other income	418,011	54,052	173,687	147,106	67,715	-	860,571
Shares of net profits of associates	-	2,304	-	-	-	-	2,304
Less							
Expenses	(221,202)	(31,605)	(129,691)	(100,344)	(55,818)	(30,248)	(568,908)
Depreciation and amortisation	(41,179)	(4,883)	(11,422)	(13,704)	-	(5,596)	(76,784)
Segment profit/EBIT	155,630	19,868	32,574	33,058	11,897	(35,844)	217,183
Finance costs							(49,263)
Profit before income tax							167,920
Segment assets	759,425	61,341	262,063	381,612	-	187,578	1,652,019
Net additions to non-current assets (other than financial assets and deferred tax)	69,452	9,148	15,590	28,097	-	5,043	127,330

3 SEGMENT INFORMATION (continued)

Breakdown of the revenue from all services is as follows:

	Consolidated	
	2014	2013
	$'000	$'000
Revenue - products and services		
Local gaming	**570,532**	598,969
International business	**55,807**	67,715
Non gaming	**194,144**	192,865
Total revenue	**820,483**	859,549
Revenue - geographic		
New Zealand	**522,133**	520,330
Australia	**298,350**	339,219
Total revenue	**820,483**	859,549
Non-current asset additions - geographic		
New Zealand	**98,459**	83,643
Australia	**56,589**	43,687
Total non-current asset additions	**155,048**	127,330
Non-current assets excluding financial instruments - geographic		
New Zealand	**934,789**	888,338
Australia	**765,960**	611,908
Total non-current assets excluding financial instruments	**1,700,749**	1,500,246

4 REVENUE

	Consolidated		Parent	
	2014 **$'000**	2013 $'000	**2014** **$'000**	2013 $'000
Total receipts including GST	**928,228**	970,651	**-**	-
Less non-gaming GST	**(26,694)**	(26,148)	**-**	-
Gaming win plus non-gaming revenue	**901,534**	944,503	**-**	-
Less gaming GST	**(81,051)**	(84,954)	**-**	-
Total revenue	**820,483**	859,549	**-**	-
Gaming	**626,339**	666,684	**-**	-
Non-gaming	**194,144**	192,865	**-**	-
Total revenue	**820,483**	859,549	**-**	-

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 $1,342,000 (30 June 2013: $1,945,000).

Included within consolidated non-gaming revenue is revenue relating to loyalty action points of $728,000 (30 June 2013: $931,000).

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.

5 OTHER INCOME

Net gain on disposal of property, plant and equipment	**995**	947	**-**	-
Interest income - Christchurch Hotels Limited	**-**	69	**-**	-
Dividend income	**5**	6	**-**	-
Dividends from wholly-owned entities	**-**	-	**122,969**	113,484
	1,000	1,022	**122,969**	113,484

6 EXPENSES

Profit before income tax includes the following specific expenses:

Depreciation				
Buildings	**24,421**	24,980	**-**	-
Plant and equipment	**37,915**	35,751	**2,363**	2,323
Fixtures and fittings	**9,516**	8,001	**-**	-
Motor vehicles	**403**	417	**-**	-
Total depreciation	**72,255**	69,149	**2,363**	2,323

6 EXPENSES (continued)

	Consolidated		Parent	
	2014 $'000	2013 $'000	**2014 $'000**	2013 $'000
Amortisation				
Casino licences (Adelaide)	**3,115**	2,618	**-**	-
Computer software	**5,399**	5,017	**3,304**	3,270
Total amortisation	**8,514**	7,635	**3,304**	3,270
Total depreciation and amortisation	**80,769**	76,784	**5,667**	5,593
Other expenses includes:				
Utilities, insurance and rates	**23,002**	24,169	**170**	186
Community Trust donations	**2,635**	2,919	**-**	-
Minimum lease payments relating to operating leases	**4,382**	4,589	**-**	-
Other property expenses	**14,035**	15,760	**-**	-
Other items (including International commissions)	**75,944**	69,282	**7,535**	6,718
Provision for bad and doubtful debts	**1,009**	2,728	**-**	-
	121,007	119,447	**7,705**	6,904
Restructuring costs				
Redundancy and other staff payments	**2,303**	1,566	**180**	952
Adelaide transformation costs	**4,262**	-	**-**	-
Strategic projects and development costs	**1,373**	982	**-**	-
Other restructuring costs	**1,232**	687	**612**	742
	9,170	3,235	**792**	1,694

Auditors' fees

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

(a) Assurance services

Audit services				
PricewaterhouseCoopers				
Audit of Group financial statements	**436**	436	**436**	436
Audit of subsidiary financial statements	**102**	102	**-**	-
Half year review	**87**	87	**87**	87
Total remuneration for audit services	**625**	625	**-**	523
Other assurance services provided by PricewaterhouseCoopers				
Accounting advice and assistance	**42**	51	**42**	51
Compliance reviews	**40**	39	**40**	39
Tax compliance services	**106**	115	**43**	43
Total remuneration for other assurance services	**188**	205	**125**	133
Total remuneration for assurance services	**813**	830	**648**	656

(b) Other services

PricewaterhouseCoopers				
Taxation advisory services *	**295**	217	**-**	8
Executive benchmarking assistance	**156**	92	**113**	92
Total remuneration for taxation services	**451**	309	**113**	100
	1,264	1,139	**761**	756

** Tax Services in relation to ad-hoc queries covering a range of tax related matters.*

6 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 Financial Risk Committee.

7 FINANCE COSTS - NET

	Consolidated		**Parent**	
	2014 $'000	2013 $'000	**2014 $'000**	2013 $'000
Finance costs				
Interest and finance charges	**50,130**	51,661	**4,902**	4,178
Exchange (gains)/losses	**(125)**	249	**-**	-
Interest income	**(1,956)**	(2,647)	**-**	-
Total finance costs	**48,049**	49,263	**4,902**	4,178

8 INCOME TAX EXPENSE

	Consolidated		**Parent**	
	2014 $'000	2013 $'000	**2014 $'000**	2013 $'000
(a) Income Tax Expense				
Current tax	**39,952**	39,882	**-**	-
Deferred tax	**(9,938)**	656	**384**	1,479
	30,014	40,538	**384**	1,479
(b) Numerical Reconciliation of Income Tax Expense to Prima Facie Tax Payable				
Profit from continuing operations before income tax expense	**128,551**	167,920	**87,675**	77,492
Tax at the New Zealand tax rate of 28% (2013: 28%)	**35,994**	47,018	**24,549**	21,698
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:				
Inter-company eliminations	**-**	-	**10,172**	11,212
Net non-deductible items	**717**	1,409	**94**	345
Share of net profit of associates	**(262)**	(629)	**-**	-
Foreign exchange rate differences	**98**	381	**-**	-
Exempt dividends received	**-**	(3)	**(34,431)**	(31,776)
Share of partnership expenditure	**(6,546)**	(6,934)	**-**	-
Tax losses not previously recognised	**-**	(1,174)	**-**	-
Differences in overseas tax rates	**(372)**	423	**-**	-
Over provision in prior years	**385**	47	**-**	-
Income tax expense	**30,014**	40,538	**384**	1,479

The weighted average applicable tax rate was 23.3% (2013: 24.1%).

9 EARNINGS PER SHARE

	Consolidated	
	2014	2013
	Cents	Cents
Basic earnings per share		
Profit attributable to the ordinary equity holders of the company	**17.0**	22.1
Diluted earnings per share		
Profit attributable to the ordinary equity holders of the company	**17.0**	22.1

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

	Consolidated	
Profit for the year	**98,537**	127,382
Profit attributable to minority interests	**-**	(93)
Profit attributable to the ordinary equity holders of the company used in calculating basic earnings per share	**98,537**	127,289

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

	2014 Number	2013 Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**579,706,028**	576,958,340

(c) Information concerning the classification of Securities

There are no dilutive potential ordinary shares and therefore basic and diluted earnings per share are the same.

10 CASH AND BANK BALANCES

	Consolidated		Parent	
	2014	2013	**2014**	2013
	$'000	$'000	**$'000**	$'000
Cash at bank	**12,056**	10,196	**1**	1
Cash in house	**41,996**	40,935	**-**	-
	54,052	51,131	**1**	1

11 RECEIVABLES AND PREPAYMENTS

	Consolidated		**Parent**	
	2014	2013	**2014**	2013
	$'000	$'000	**$'000**	$'000
Trade receivables (net)	**13,643**	13,096	**-**	-
Sundry receivables	**2,286**	3,837	**443**	560
Prepayments	**2,881**	3,465	**1,506**	1,414
Amounts due from subsidiaries (note 30)	**-**	-	**51,278**	51,304
	18,810	20,398	**53,227**	53,278

The provision for bad and doubtful debts was increased by $1,009,000 (30 June 2013: $2,728,000) during the year.

The fair value of receivables and amounts due to subsidiaries approximates the carrying amount as they are of a short term nature.

12 NET TAX RECEIVABLES

	Consolidated		**Parent**	
	2014	2013	**2014**	2013
	$'000	$'000	**$'000**	$'000
Tax prepayment - current	**33,158**	38,227	**-**	-
Tax prepayment - non current	**21,183**	16,624	**-**	-
	54,341	54,851	**-**	-

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

13 DERIVATIVE FINANCIAL INSTRUMENTS

	Fair value		Notional principal	
	2014	2013	**2014**	2013
	$'000	$'000	**$'000**	$'000
Current assets				
Forward foreign currency contracts	**769**	692	**180,491**	70,587
Total current derivative financial instrument assets	**769**	692	**180,491**	70,587
Non-current assets				
Interest rate swaps - cash flow hedges	**252**	208	**80,000**	80,000
Cross-currency interest rate swaps - cash flow hedges *	**15,637**	33,702	**108,464**	251,337
Total non-current derivative financial instrument assets	**15,889**	33,910	**188,464**	331,337
Current liabilities				
Forward foreign currency contracts	**415**	68	**28,329**	48,574
Interest rate swaps - cash flow hedges	**836**	236	**91,176**	29,758
Cross-currency interest rate swaps - cashflow hedges *	**9,502**	-	**53,555**	-
Total current derivative financial instrument liabilities	**10,753**	304	**173,060**	78,332
Non-current liabilities				
Interest rate swaps - cash flow hedges	**24,039**	30,589	**410,317**	384,334
Cross-currency interest rate swaps - cash flow hedges *	**4,794**	-	**116,226**	60,372
Total non-current derivative financial instrument liabilities	**28,833**	30,589	**526,543**	444,706

During the year there were no fair value hedges.

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

* The fair value amounts are net of collateral payments made of $7,339,042 (2013: $3,695,421). 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 parent has no derivatives at 30 June 2014 (2013: nil)

14 PROPERTY, PLANT AND EQUIPMENT

CONSOLIDATED	Land $'000	Buildings $'000	Plant and equipment $'000	Fixtures and fittings $'000	Motor vehicles $'000	Capital work in progress $'000	Total $'000
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
Movements in the year ended 30 June 2013							
Opening net book value	189,924	644,788	101,221	34,200	747	93,538	1,064,418
Exchange differences	(1,950)	(10,738)	(2,281)	(337)	(24)	(3,115)	(18,445)
Net additions/transfers	4,101	66,317	49,309	12,270	2,025	(16,864)	117,158
Depreciation charge	-	(24,980)	(35,751)	(8,001)	(417)	-	(69,149)
Closing net book value	192,075	675,387	112,498	38,132	2,331	73,559	1,093,982
At 30 June 2013							
Cost	192,075	907,564	353,796	95,265	4,547	73,559	1,626,806
Accumulated depreciation	-	(232,177)	(241,298)	(57,133)	(2,216)	-	(532,824)
Net book value	192,075	675,387	112,498	38,132	2,331	73,559	1,093,982
Movements in the year ended 30 June 2014							
Opening net book value	192,075	675,387	112,498	38,132	2,331	73,559	1,093,982
Exchange differences	(2,907)	(19,137)	(3,600)	(917)	(44)	(810)	(27,415)
Net additions/transfers	439	29,362	44,367	20,048	298	53,121	147,635
Depreciation charge	-	(24,421)	(37,915)	(9,516)	(403)	-	(72,255)
Closing net book value	189,607	661,191	115,350	47,747	2,182	125,870	1,141,947
At 30 June 2014							
Cost	189,607	913,655	378,384	112,352	4,679	125,870	1,724,547
Accumulated depreciation	-	(252,464)	(263,034)	(64,605)	(2,497)	-	(582,600)
Net book value	189,607	661,191	115,350	47,747	2,182	125,870	1,141,947

14 PROPERTY, PLANT AND EQUIPMENT (continued)

PARENT	Plant and equipment $'000	Capital work in progress $'000	Total $'000
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
Movements in the year ended 30 June 2013			
Opening net book value	5,751	1,781	7,532
Net additions/transfers	2,873	(795)	2,078
Depreciation charge	(2,323)	-	(2,323)
Closing net book value	6,301	986	7,287
At 30 June 2013			
Cost	30,369	986	31,355
Accumulated depreciation	(24,068)	-	(24,068)
Net book value	6,301	986	7,287
Movements in the year ended 30 June 2014			
Opening net book value	6,301	986	7,287
Net additions/transfers	2,402	(99)	2,303
Depreciation charge	(2,363)	-	(2,363)
Closing net book value	6,340	887	7,227
At 30 June 2014			
Cost	32,771	887	33,658
Accumulated depreciation	(26,431)	-	(26,431)
Net book value	6,340	887	7,227

Borrowing costs of $765,208 have been capitalised in the current year relating to capital projects (2013: $838,507) using the Group's weighted average cost of debt of 6.92% (2013: 6.97%).

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.

15 INTANGIBLE ASSETS

CONSOLIDATED	**Goodwill $'000**	**Casino licences $'000**	**Computer software $'000**	**Total $'000**
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
Movements in the year ended 30 June 2013				
Opening net book amount	156,392	235,377	18,876	410,645
Exchange differences	(8,011)	(15,510)	(22)	(23,543)
Additions	-	-	10,172	10,172
Amortisation charge	-	(2,618)	(5,017)	(7,635)
Closing net book amount	148,381	217,249	24,009	389,639
At 30 June 2013				
Cost	148,381	253,293	70,024	471,698
Accumulated amortisation	-	(36,044)	(46,015)	(82,059)
Net book amount	148,381	217,249	24,009	389,639
Movements in the year ended 30 June 2014				
Opening net book amount	148,381	217,249	24,009	389,639
Exchange differences	(11,091)	(21,401)	(370)	(32,862)
Additions	-	181,945	7,440	189,385
Amortisation charge	-	(3,115)	(5,399)	(8,514)
Closing net book amount	137,290	374,678	25,680	537,648
At 30 June 2014				
Cost	137,290	410,219	74,635	622,144
Accumulated amortisation	-	(35,541)	(48,955)	(84,496)
Net book amount	137,290	374,678	25,680	537,648

Casino Licence	**Contract Term**
SKYCITY Darwin Casino	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.

15 INTANGIBLE ASSETS (continued)

Adelaide Casino

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). Unless terminated earlier, 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.

Effective 14 February 2014, the ALA and associated agreements were amended to (a) extend Adelaide Casino's exclusivity period for casino gaming in South Australia for a further 20 years until 30 June 2035 (during which period no other casino gaming is permitted, except for interactive gambling); (b) permit the implementation of account based cashless gaming and ticket-in-ticket-out gaming systems; (c) permit an increase in the number of both gaming machines and gaming tables; (d) reflect new taxation rates; and (e) implement various other operational improvements. As part of the agreement with the South Australian Government, SKYCITY Adelaide has agreed to undertake a A$350 million casino expansion and hotel development project to be completed by 30 June 2019.

These reforms are exclusive to the Group and have therefore been recorded at fair value based on the estimated incremental benefit of the reforms over the life of the reforms. The fair value has been determined using a discounted cashflow model falling within level 3 of the fair value hierarchy over the life of the reforms.

Key assumptions used in determining the fair value are as follows:

- Discount rate 13.5%
- Operating margins (net of labour costs, direct costs, comps/commissions and launch marketing) are calculated based on an internal view of the structural changes to the cost base required to support the incremental revenue and the expanded property.
- New tax rates:
  34.41% for EGM's
  0.91% for Automated Table Games and
  0.91% for Tables
- Increase in number of gaming machines to 1500 and tables to 200

The asset is amortised over 20 year or 70 years depending on whether the incremental benefit is associated with the exclusivity period or the full licence period.

Deferred Licence Value included within non-current liabilities will be transferred to property, plant and equipment as the Adelaide Redevelopment is completed.

SKYCITY Auckland Casino

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 section 138 of the Gambling Act 2003 (NZ). As the licence was initially granted to the company for nil consideration, there is no associated carrying value.

SKYCITY Hamilton Casino

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 section 138 of the Gambling Act 2003 (NZ). As the licence was initially granted to the company for nil consideration, there is no associated carrying value.

SKYCITY Queenstown Casino

Queenstown Casinos Limited holds a Casino Premises Licence for these Queenstown premises. The Casino Premises Licence is for an initial 25 year term from 7 December 2000. 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.

SKYCITY Wharf Casino (Queenstown)

Otago Casinos Limited holds a Casino Premises Licence for these Queenstown premises. The Casino Premises Licence is for an initial 25 year term from 11 September 1999. The licence can be renewed for further periods of 15 years pursuant to s138 of the Gaming Act 2003 (NZ).

15 INTANGIBLE ASSETS (continued)

PARENT COMPANY	Computer software $'000	Total $'000
At 30 June 2012		
Cost	45,583	45,583
Accumulated amortisation	(35,552)	(35,552)
Net book amount	10,031	10,031
Movements in the year ended 30 June 2013		
Opening net book amount	10,031	10,031
Additions	3,470	3,470
Amortisation charge	(3,270)	(3,270)
Closing net book amount	10,231	10,231
At 30 June 2013		
Cost	49,053	49,053
Accumulated amortisation	(38,822)	(38,822)
Net book amount	10,231	10,231
Movements in the year ended 30 June 2014		
Opening net book amount	10,231	10,231
Additions	4,119	4,119
Amortisation charge	(3,304)	(3,304)
Closing net book amount	11,046	11,046
At 30 June 2014		
Cost	53,173	53,173
Accumulated amortisation	(42,127)	(42,127)
Net book amount	11,046	11,046

(a) Impairment Tests for Intangibles with Indefinite Lives

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

2014	**Otago Casinos Limited *** $'000	**SKYCITY Hamilton *** $'000	**SKYCITY Darwin** $'000	**Total** $'000
Goodwill	-	35,786	101,504	137,290
Casino Licence	4,391	-	34,051	38,442
	4,391	35,786	135,555	175,732
2013				
Goodwill	-	35,786	112,595	148,381
Casino Licence	-	-	37,771	37,771
	-	35,786	150,366	186,152

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 and Otago Casinos Limited are included within the "Rest of New Zealand" segment in note 3.

15 INTANGIBLE ASSETS (continued)

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

	EBITDA margin		Growth rate		Discount rate	
	2014 %	2013 %	**2014 %**	2013 %	**2014 %**	2013 %
SKYCITY Hamilton	**35.5**	40.2	**2.0**	2.0	**10.0**	10.0
SKYCITY Darwin	**27.3**	28.5	**3.0**	3.5	**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.

16 INVESTMENTS IN ASSOCIATES

The Group previously held a 50% interest in Christchurch Casinos Limited. This interest was sold effective 20 December 2012 for $80,000,000 cash (including repayment of the loan to Christchurch Hotels Limited of $4,598,000). As a result of this disposal a gain of $59,000 was recognised in the prior year results. In the current year additional proceeds of $934,000 have been recognised as a further gain on disposal as a result of the final insurance claim.

(a) Movements in carrying amounts

	Consolidated	
	2014 $'000	2013 $'000
Balance at the beginning of the year	**-**	75,266
Share of profits after income tax	**-**	2,245
Dividends received/receivable	**-**	(1,610)
Disposal	**-**	(75,901)
Balance at 30 June	**-**	-

17 PAYABLES

	Consolidated		Parent	
	2014 $'000	2013 $'000	**2014 $'000**	2013 $'000
Trade payables	**21,965**	18,571	**-**	-
Deferred income	**2,600**	2,917	**-**	-
Accrued expenses	**53,415**	40,558	**4,652**	7,143
Employee benefits	**41,520**	43,353	**-**	-
Amounts due to subsidiaries (note 30)	**-**	-	**274,171**	266,603
	119,500	105,399	**278,823**	273,746

The fair value of payables, accruals, and amounts due to subsidiaries approximates the carrying amount as they are of a short term nature.

18 CURRENT LIABILITIES - INTEREST BEARING LIABILITIES

	Consolidated		Parent	
	2014	2013	**2014**	2013
	$'000	$'000	**$'000**	$'000
Unsecured				
United States Private Placement (USPP)	**81,724**	-	**-**	-
Total unsecured current interest bearing borrowings	**81,724**	-	**-**	-

Refer note 19 for details concerning the US Private Debt.

Fair value disclosures

Details of the fair value of interest bearing liabilities for the Group are set out in note 19.

19 NON-CURRENT LIABILITIES - INTEREST BEARING LIABILITIES

	Consolidated		Parent	
	2014	2013	**2014**	2013
	$'000	$'000	**$'000**	$'000
Unsecured				
United States Private Placement (USPP)	**251,300**	369,142	**-**	-
Syndicated bank facility	**249,673**	191,275	**-**	-
Deferred funding expenses	**(2,038)**	(1,611)	**-**	-
Total unsecured non-current interest bearing borrowings	**498,935**	558,806	**-**	-

(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.

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 July and August 2009, USPP borrowings of US$115,500,000 were repaid and in March 2012 USPP borrowings of US$85,000,000, A$74,900,000 and NZ$47,275,000 matured and were repaid.

Maturities of US$47,000,000 and NZ$28,169,000 in March 2015 are recognised as current liabilities.

Movements in the total USPP debt from 30 June 2013 relate to foreign exchange movements.

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

The offsetting value of the cross currency interest rate swaps are included within derivative financial instruments in note 13.

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

(b) Syndicated Bank Facility

At 30 June 2014, SKYCITY had in place revolving credit facilities of NZ$285,000,000 (2013: NZ$485,000,000) comprised of NZ$200,000,000 maturing October 2018 and NZ$85,000,000 maturing March 2020, plus A$200,000,000 maturing February 2019. SKYCITY also has an A$75,000,000 (2013: A$75,000,000) term loan. The syndicated banking facility is provided by ANZ (New Zealand and Australia), Commonwealth Bank of Australia, Bank of New Zealand Limited, National Australia Bank and Westpac (New Zealand and Australia).

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

(c) Fair values

Fair value of long term fixed rate USPP debt is estimated at NZ$373 million (2013: NZ$398 million) compared to a carrying value of NZ$333 million (2013: NZ$369 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.

Fair value is calculated using inputs other than quoted prices that are observable for the liability, either directly (that is, as prices) or indirectly (that is, derived from prices) - this is a level 2 valuation.

20 SUBORDINATED DEBT - CAPITAL NOTES

	Consolidated		Parent	
	2014 $'000	2013 $'000	**2014 $'000**	2013 $'000
Balance at the end of the year	**76,451**	56,451	**76,451**	56,451
Deferred expense	**10**	24	**10**	24
Net capital notes at the end of the year	**76,441**	56,427	**76,441**	56,427

Capital notes are a current liability in 2014 and were a non current liability in 2013.

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%).

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 2014, there were 150,000,000 (2013: 150,000,000) capital notes on issue, of which 73,549,500 (2013: 93,549,000) are held as treasury stock by the company. In November 2013, 20,000,000 of capital notes were sold from treasury stock.

20 SUBORDINATED DEBT – CAPITAL NOTES (continued)

The capital notes are listed on the NZX. As at 30 June 2014, the closing price was $1.021 per $1 note (2013: $1.0290). The capital notes are carried at amortised cost.

The total fair value is $78m, and is a level 1 valuation, as they are listed on the NZX.

21 DEFERRED TAX LIABILITIES

	Consolidated		**Parent**	
	2014 $'000	2013 $'000	**2014 $'000**	2013 $'000
The balance comprises temporary differences attributable to:				
Prepayments and receivables	**211**	445	**-**	67
Provision and accruals	**(11,560)**	(12,573)	**(336)**	(771)
Depreciation	**102,679**	101,978	**2,199**	2,183
Foreign exchange differences	**(10,726)**	1,466	**-**	-
Tax losses	**(937)**	(2,089)	**-**	-
Other	**(500)**	566	**-**	-
Cash flow hedges	**(3,452)**	(2,190)	**-**	-
Net deferred tax liabilities	**75,715**	87,603	**1,863**	1,479
Movements:				
Balance at the beginning of the year	**87,603**	84,571	**1,479**	-
(Credited)/charged to the Income Statement (note 8)	**(9,938)**	656	**384**	1,479
Debited to equity reserves (note 24)	**(1,276)**	3,118	**-**	-
Foreign exchange differences	**(674)**	(742)	**-**	-
Closing balance at 30 June	**75,715**	87,603	**1,863**	1,479
Within 12 months	**(24,772)**	(9,597)	**(336)**	(106)
In excess of 12 months	**100,487**	97,200	**2,199**	1,585
	75,715	87,603	**1,863**	1,479

22 IMPUTATION CREDITS (New Zealand)

	Consolidated 2014 $'000	Consolidated 2013 $'000
Balances available for use in subsequent reporting periods		
Imputation credit account	**13,523**	2,658
Franking credit account	**8,054**	26,615

As required by relevant tax legislation, the imputation credit account had a credit balance as at 31 March 2014.

23 SHARE CAPITAL

	2014 Shares	2013 Shares	2014 $'000	2013 $'000
Opening balance of ordinary shares issued	**576,958,340**	576,958,340	**729,395**	727,598
Share rights issued for employee services	**-**	-	**1,238**	1,394
Employee share entitlements issued	**746,714**	432,162	**-**	-
Treasury shares issued	**(746,714)**	(432,162)	**-**	-
Net (purchase)/issue of treasury shares	**-**	-	**(13,213)**	403
Shares issued under dividend reinvestment plan	**5,129,754**	-	**20,126**	-
	582,088,094	576,958,340	**737,546**	729,395

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

Included within the number of shares is 6,776,577 treasury shares (2013: 4,085,151) 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 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.

24 RESERVES AND RETAINED PROFITS/(LOSSES)

	Consolidated		**Parent**	
	2014 $'000	2013 $'000	**2014 $'000**	2013 $'000
(a) Reserves				
Hedging reserve - cash flow hedges	**(8,766)**	(5,595)	**-**	-
Foreign currency translation reserve	**(39,810)**	(12,708)	**-**	-
	(48,576)	(18,303)	**-**	-

	Consolidated		**Parent**	
	2014 $'000	2013 $'000	**2014 $'000**	2013 $'000
Hedging reserve - cash flow hedges				
Balance at the beginning of the year	**(5,595)**	(13,355)	**-**	-
Revaluation	**(40,294)**	10,782	**-**	-
Transfer to net profit - finance costs (net)	**35,748**	96	**-**	-
Deferred tax	**1,375**	(3,118)	**-**	-
Balance 30 June	**(8,766)**	(5,595)	**-**	-

	Consolidated		**Parent**	
	2014 $'000	2013 $'000	**2014 $'000**	2013 $'000
Foreign currency translation reserve				
Balance at the beginning of the year	**(12,708)**	11,505	**-**	-
Exchange difference on translation of overseas subsidiaries	**(27,102)**	(24,213)	**-**	-
Balance 30 June	**(39,810)**	(12,708)	**-**	-

(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. Cashflows are in line with the maturity of the hedged items, refer to note 27.

(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**	
	2014 $'000	2013 $'000	**2014 $'000**	2013 $'000
Balance at the beginning of the year	**101,799**	81,690	**(366,655)**	(338,812)
Profit attributable to shareholders of the company	**98,537**	127,289	**87,291**	76,013
Dividends	**(115,421)**	(103,856)	**(115,421)**	(103,856)
Acquisition of non controlling interest - refer note 24	**-**	(3,324)	**-**	-
Balance at the end of the year	**84,915**	101,799	**(394,785)**	(366,655)

25 NON CONTROLLING INTEREST

	Consolidated	
	2014	2013
	$'000	$'000
Balance at the beginning of the year	**-**	1,704
Share of profits of subsidiaries	**-**	93
Repayment of non controlling interest	**-**	(121)
Acquisition of non controlling interest	**-**	(1,676)
Balance at the end of the year	**-**	-

The non controlling interest related to the 40% of Queenstown Casinos Limited which was not previously owned by SKYCITY. Effective 20 December 2012 this interest was purchased by the Group for $5,000,000. The purchase consideration in excess of the carrying value of the non controlling interest being $3,324,000 is recognised in retained profits.

26 DIVIDENDS

	Consolidated		Parent	
	2014	2013	**2014**	2013
	$'000	$'000	**$'000**	$'000
Prior year final dividend	**57,461**	46,171	**57,461**	46,171
Current year interim dividend	**57,960**	57,685	**57,960**	57,685
Total dividends provided for or paid	**115,421**	103,856	**115,421**	103,856
Prior year final dividend (per share)	**10.00¢**	8.00¢	**10.00¢**	8.00¢
Current year interim dividend (per share)	**10.00¢**	10.00¢	**10.00¢**	10.00¢

On 13 August 2014, the directors resolved to declare a final dividend of 10 cents per share in respect of the year ended 30 June 2014 (refer to note 34 for further details).

27 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. The 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 note 19) 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						
2014		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	3.25	12,056	-	-	-	-	-	12,056
Bank facility	5.00	(249,673)	-	-	-	-	-	(249,673)
US Private Placement	4.96	(102,851)	-	(30,766)	(85,460)	-	(113,947)	(333,024)
Capital notes (NZ)	7.25	(76,450)	-	-	-	-	-	(76,450)
IRS/CCIRS*		260,143	(31,462)	(7,234)	(50,197)	(90,731)	(80,519)	-
		(156,775)	(31,462)	(38,000)	(135,657)	(90,731)	(194,466)	(647,091)
Weighted average debt interest rate **	6.75%							

27 Financial risk management (continued)

2013		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	10,196	-	-	-	-	-	10,196
Advance to Christchurch Hotels	-	-	-	-	-	-	-	-
Bank borrowings	4.85	(191,275)	-	-	-	-	-	(191,275)
US Private Placement	5.21	(49,296)	(60,373)	-	(34,682)	(96,339)	(128,452)	(369,142)
Capital notes (NZ)	7.25	-	(56,451)	-	-	-	-	(56,451)
IRS/CCIRS *		64,488	(33,735)	(33,807)	(3,318)	78,239	(71,867)	-
		(165,887)	(150,559)	(33,807)	(38,000)	(18,100)	(200,319)	(606,672)
Weighted average debt interest rate **	7.02%							

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

For both 2014 and 2013 capital notes were the only interest-bearing debt within the parent entity. The parent had no derivatives as at 30 June 2014 (2013: nil).

** As at 30 June, including the impact of interest rate hedging

(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 2014	Profit $'000	Equity $'000	Profit $'000	Equity $'000	Profit $'000	Equity $'000	Profit $'000	Equity $'000
NZD/AUD movements	-	-	-	-	(305)	8,624	338	(7,803)
NZ interest rate movement	1,799	(5,759)	(1,799)	5,465	-	-	-	-
Australian interest rate movement	286	(6,728)	(286)	6,368	-	-	-	-

27 Financial risk management (continued)

	Interest rate risk				Foreign exchange risk			
	-100bps		+100bps		-5%		+5%	
30 June 2013	Profit $'000	Equity $'000	Profit $'000	Equity $'000	Profit $'000	Equity $'000	Profit $'000	Equity $'000
NZD/AUD movements	-	-	-	-	8	14,522	(9)	(13,139)
NZ interest rate movement	1,037	(6,777)	(1,037)	6,534	-	-	-	-
Australian interest rate movement	215	(7,333)	(215)	6,865	-	-	-	-

(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 practice. 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$285 million and A$200million (2013: NZ$485 million) were drawn down by NZ$137,000,000 and A$30,000,000 as at 30 June 2014 (2013: $102,000,000). The bank facility term tranche of A$75 million was fully drawn.

Consolidated - At 30 June 2014	Less than 6 months $'000	6 - 12 months $'000	Between 1 and 2 years $'000	Between 2 and 3 years $'000	Between 3 and 5 years $'000	Over 5 years $'000	Total facility $'000
Bank facility	-	-	-	-	414,615	165,481	580,096
Capital notes	-	76,450	-	-	-	-	76,450
US Private Placement	-	81,724	-	30,766	85,460	135,074	333,024
Total debt facilities	-	158,174	-	30,766	500,075	300,555	989,570
Payables	75,380	-	-	-	-	-	75,380
Total drawn debt	-	158,174	-	30,766	254,652	215,555	659,147
Future contracted interest on drawn debt	14,333	11,278	17,770	17,254	26,417	14,827	101,879
Future contracted interest on CCIRS/IRS	5,934	5,134	8,476	7,849	12,856	10,806	51,055

Consolidated - At 30 June 2013	Less than 6 months	6 - 12 months	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5	Over 5 years	Total facility

27 Financial risk management (continued)

					years		
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Bank facility	-	-	-	200,000	200,000	174,275	574,275
Capital notes	-	-	56,451	-	-	-	56,451
US Private Placement	-	-	88,542	-	131,021	149,579	369,142
Total debt facilities	-	-	144,993	200,000	331,021	323,854	999,868
Payables	59,129	-	-	-	-	-	59,129
Total drawn debt	-	-	144,993	102,000	131,021	238,854	616,868
Future contracted interest on drawn debt	14,619	14,128	26,438	19,723	35,448	24,676	135,032
Future contracted interest on CCIRS/IRS	5,529	5,457	10,063	7,598	12,595	9,190	50,432

On 11 February 2014, SKYCITY converted a NZ$200 million tranche of its revolving credit bank facilities to A$200 million and extended the notify date from February 2017 to February 2019. SKYCITY also extended a NZ$85 million revolving credit tranche from March 2019 to March 2020 and A$75 million term loan tranche from March 2019 to March 2020.

(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 2014	**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	-	769	-	769
Derivatives used for hedging	-	15,889	-	15,889
Total assets	-	16,658	-	16,658
Liabilities				
Financial liabilities at fair value through profit or loss				
– Forward foreign currency contracts	-	415	-	415
Derivatives used for hedging	-	39,171	-	39,171
Total liabilities	-	39,586	-	39,586

27 Financial risk management (continued)

Consolidated - At 30 June 2013	**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	-	692	-	692
Derivatives used for hedging	-	33,910	-	33,910
Total assets	-	34,602	-	34,602
Liabilities				
Financial liabilities at fair value through profit or loss				
– Forward foreign currency contracts	-	68	-	68
Derivatives used for hedging	-	30,825	-	30,825
Total liabilities	-	30,893	-	30,893

Further details on derivatives are provided in note 13.

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 and cross currency interest rates 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.

At year end the parent company has no derivatives (2013: nil).

(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 2014				
Cash and bank balances	54,052	-	-	-
Trade receivables	6,216	-	-	-
Sundry receivables	9,713	-	-	-
Derivative financial instruments - assets	-	769	15,889	-
Derivative financial instruments - liabilities	-	(415)	(39,171)	-
Interest bearing liabilities	-	-	-	(498,935)
Capital notes	-	-	-	(76,441)
Payables	-	-	-	(75,134)
	69,981	354	(23,282)	(650,510)

27 Financial risk management (continued)

At 30 June 2013				
Cash and bank balances	51,131	-	-	-
Trade receivables	11,512	-	-	-
Sundry receivables	5,421	-	-	-
Derivative financial instruments - assets	-	692	33,910	-
Derivative financial instruments - liabilities	-	(68)	(30,825)	-
Interest bearing liabilities	-	-	-	(558,806)
Capital notes	-	-	-	(56,427)
Payables	-	-	-	(59,129)
	68,064	624	3,085	(674,362)

(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

	2014	2013
Gearing ratio	**2.3 x**	2.0 x
Interest coverage	**6.4 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 2014 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.

28 SHARE-BASED PAYMENTS

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 previous plans.

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 2014, the interest free loan on the CEO Long Term Incentive Plan is $8,319,048 (2013: $4,764,895) and on the Executive Long Term Incentive Plan total $10,183,719 (2013: $9,109,306).

28 SHARE-BASED PAYMENTS (continued)

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

Grant Date	Expiry date	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 - 2014							
02/09/09	02/09/13	408,263	-	-	(408,263)	-	-
31/08/10	31/08/14	1,082,195	-	(746,714)	(15,578)	319,903	319,903
02/03/11	02/03/15	1,394,291	-	-	(250,000)	1,144,291	1,144,291
31/08/11	31/08/15	705,200	-	-	(35,000)	670,200	-
29/08/12	29/08/16	999,800	-	-	(235,000)	764,800	-
28/08/13	28/08/17	-	2,851,758	-	(285,000)	2,566,758	-
Total		4,589,749	2,851,758	(746,714)	(1,128,841)	5,465,952	1,464,194
Consolidated and parent - 2013							
01/07/08	01/07/12	78,000	-	-	(78,000)	-	-
02/09/09	02/09/13	902,425	-	(432,162)	(62,000)	408,263	408,263
31/08/10	31/08/14	1,165,945	-	-	(83,750)	1,082,195	-
02/03/11	02/03/15	1,394,291	-	-	-	1,394,291	-
31/08/11	31/08/15	760,200	-	-	(55,000)	705,200	-
29/08/12	29/08/16	-	1,034,800	-	(35,000)	999,800	-
Total		4,300,861	1,034,800	(432,162)	(313,750)	4,589,749	408,263

The weighted average remaining contractual life of options and rights outstanding at the end of the period was 2.08 years (2013: 1.83 years).

Fair value of share rights granted
The assessed fair value at grant date of the rights granted on 28 August 2013 is $1.14 (29 August 2012 is $1.22), this has been calculated using the single index model.

The valuation inputs for the rights granted on 28 August 2013 included:

(a) rights are granted for no consideration

(b) exercise price: nil (2013: nil)

(c) grant date: 28 August 2013 (2013: 29 August 2012)

(d) expiry date: 28 August 2017 (2013: 29 August 2016)

(e) share price at valuation date $3.93 (2013: $3.84)

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	
	2014 $'000	2013 $'000	**2014 $'000**	2013 $'000
Rights issued under Share Rights Plans	**1,238**	1,393	**1,238**	1,393
	1,238	1,393	**1,238**	1,393

29 RELATED PARTY TRANSACTIONS

There are no bad or doubtful debts associated with any related party of the Group or parent entity (2013: nil).

(a) Key Management and Personnel Compensation

Key management compensation for the years ended 30 June 2014 and 2013 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
2014	**10,971**	**1,251**	**12,222**
2013	11,263	1,270	12,533

(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 $123.0 million (2013: $113.5 million) and provision of employee services of $13.8 million (2013: $16.0 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.

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	Principal place of business	Class of shares	Equity holding	
			2014 **%**	2013 %
New Zealand International Convention Centre Limited	New Zealand	Ordinary	**100**	100
Otago Casinos Limited	New Zealand	Ordinary	**100**	-
Queenstown Casinos Limited	New Zealand	Ordinary	**100**	100
Sky Tower Limited	New Zealand	Ordinary	**100**	100
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
Toptown Nominees Limited	New Zealand	Ordinary	**-**	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 Darwin Pty Limited	Australia	Ordinary	**100**	100
SKYCITY Treasury Australia Pty Limited	Australia	Ordinary	**100**	100
SKYCITY Investment Holdings Limited	Hong Kong	Ordinary	**100**	-

31 CONTINGENCIES

There are no significant contingences at year end (2013: 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	
	2014	2013	**2014**	2013
	$'000	$'000	**$'000**	$'000
Property, plant and equipment	**17,084**	15,805	**-**	-

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	
	2014	2013	**2014**	2013
	$'000	$'000	**$'000**	$'000
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:				
Within one year	**5,561**	7,191	**-**	-
Later than one year but not later than five years	**15,813**	16,216	**-**	-
Later than five years	**293,627**	310,051	**-**	-
Commitments not recognised in the financial statements	**315,001**	333,458	**-**	-

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	
	2014 $'000	2013 $'000	**2014 $'000**	2013 $'000
Profit for the year	**98,537**	127,289	**87,291**	76,013
Non-controlling interest	**-**	93	**-**	-
Depreciation and amortisation	**80,769**	76,784	**5,667**	5,593
Finance costs net	**48,049**	49,263	**4,730**	4,178
Net (gain) on sale of associate	**(934)**	(59)	**-**	-
Current period employee share expense	**1,238**	1,394	**1,238**	1,394
Gain on sale of fixed assets	**(995)**	(947)	**-**	-
Dividend from subsidiary	**-**	-	**(122,969)**	(113,484)
Share of profits of associates not received as dividends	**-**	(635)	**-**	-
Change in operating assets and liabilities				
Decrease in receivables and prepayments	**1,081**	7,135	**51**	100,351
Increase in inventories	**(455)**	(540)	**-**	-
Increase/(decrease) in payables and accruals	**14,102**	(1,787)	**5,077**	(71,022)
Increase/(decrease) in deferred tax liability	**(11,888)**	3,032	**384**	1,479
Decrease in tax receivable	**510**	4,230	**-**	-
Capital items included in working capital movements	**759**	(8,305)	**-**	-
Subsidiary funding transactions	**-**	-	**(7,593)**	(29,754)
Net cash inflow from operating activities	**230,773**	256,947	**(26,124)**	(25,252)

34 EVENTS OCCURING AFTER THE BALANCE SHEET DATE

Dividend

On 13 August 2014, the directors resolved to provide for a final dividend to be paid in respect of the year ended 30 June 2014. The 100% imputed, unfranked dividend of 10 cents per share will be paid on 3 October 2014 to all shareholders on the company's register at the close of business on 19 September 2014.

MEDIA RELEASE
13 August 2014

SKYCITY Entertainment Group Limited
FY14 Full Year Results

Key Points

- Normalised Net Profit After Tax (NPAT) for FY14 of $123.2m
- Reported NPAT of $98.5m, impacted by below theoretical International Business win rate
- Strong growth in Auckland with 2H14 Normalised Revenues up 9.0% and normalised Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) up 7.4%
- Strong growth in International Business (IB) turnover to $6.5b, up 41.3% in 2H14
- Significant disruption to the Adelaide Casino with extensive construction works transforming the property to take advantage of the reforms negotiated with the SA Government
- The significant appreciation of the NZ dollar against the Australian dollar
- Announcement of a new 5 Star 300 room international hotel as part of the New Zealand International Convention Centre site Master Plan
- Announcement of appointment of new CFO – Mr Rob Hamilton, Managing Director, Investment Banking, First NZ Capital
- Final dividend retained at 10 cents per share

SKYCITY Entertainment Group Limited (NZX: SKC) today announced Normalised Net Profit After Tax (NPAT) of $123.2m and Reported NPAT of $98.5m for the year ended 30 June 2014.

Group normalised EBITDA for the year declined by $12.9m (4.3%) from $300.5m to $287.6m. Of this, $9.9m was attributable to the exchange rate impact of the strengthened NZ dollar and A$6.4m to the transformation of Adelaide and the consequential significant disruption to the local operations.

SKYCITY Chief Executive Nigel Morrison says “The overall financial result for 2014 was mixed, with some very pleasing improvements offset by the costs of transitioning some of our key businesses, positioning them for future growth. We delivered good growth in our Auckland and International businesses, particulary in the second half; the second half results of Auckland were a real highlight of this result. These were overshadowed by the significant disruption of the extensive construction works, at the Adelaide Casino transforming that property to take advantage of the reforms negotiated with the SA Government. The impact of the strong New Zealand dollar has also materially reduced the value of our Australian revenues and earnings.”

“Pleasingly, SKYCITY Auckland, our largest business, experienced good growth across all business segments, particularly in the second half with revenues up 9% and with momentum continuing into the first quarter FY15. The strong management team lead by John Mortensen and Matt Ballesty are optimising the investments made in the Auckland property over the last 3 years.

"Our International Business turnover grew strongly in the second half resulting in a record turnover for the year of $6.5 billion. Focusing on growing our International Business and becoming more competitive in the region, we increased our maximum table differential in December 2013, which has, over this short period, increased volatility as we build up volume. The FY15 year has started well with IB turnover to 10 August of $1.2 billion with a win rate of 1.3%".

SKYCITY's Reported NPAT for the year of $98.5m was $24.7m less than Normalised NPAT primarily attributable to the actual win rate across the International business of 0.97%, below the theoretical win rate of 1.35%, reducing net win from our IB players for the year from $88.0m to $63.2m. Other costs attributable to the NZICC development and the Adelaide redevelopment also contributed to the reduction of reported NPAT.

"The 2014 year was a very significant year for SKYCITY with the execution of the agreements with the NZ and SA Governments and the passing of the enabling legislation by the respective parliaments. These agreements providing licence and tax certainty, enable us to invest with confidence and position these properties to better compete in their regional markets. The hard work has now started in implementing these agreements, which will underpin the foundations of SKYCITY's long term future growth.

"In addition to maintaining the momentum in our largest business, Auckland, and continuing to grow our international business, the focus for FY15 will be completing the Adelaide Casino transformation by the end of calendar 2014, finalising the NZICC development plans, achieving resource consent and awarding the construction contract for the NZICC by the end of the FY15 year. (Refer separate release on NZICC)

"As part of the NZICC site master plan SKYCITY announced today that we will also develop a 300 room five star international hotel which will complement and enhance the NZICC development." (Refer separate Release)

"I am also delighted to announce that after an extensive international search we have appointed Mr Rob Hamilton as Chief Financial Officer. Rob is currently the Managing Director and Head, Investment Banking at First NZ Capital in Auckland and will commence on 13 October". Mr Morrison says. (Refer separate Release)

Auckland

Trading
Auckland's Normalised EBITDA improved 3.9% to $218m, with good growth in 2H14 with Normalised EBITDA up 7.4% on 2H13.

"Auckland is seeing strong momentum in both gaming and non-gaming revenues. This, combined with tight cost control has seen pleasing growth in Auckland's EBITDA and an improving margin. Auckland has continued to trade well into the FY15 year (through to 10 August 2014) with 9% revenue growth" Mr Morrison says.

FY14 EGM revenue was up 2.3% on FY13, while 2H14 was up 3.5% on 2H13.

Both the SKYCITY Grand Hotel and SKYCITY Hotel continued to perform well with record occupancy and increased average daily rates – with SKYCITY Grand Hotel enjoying 85 percent occupancy and SKYCITY Hotel enjoying around 93 percent occupancy for the year.

Federal Street
Federal Street has now re-opened with building works completed in July this year. The general amenity of Federal Street is much improved, with an open, boulevard feel. Internationally-acclaimed chef, Nic Watt, opened Masu on 16 October 2013, in the Grand Hotel. Masu has been highly acclaimed since opening, voted the 2014 Best New Restaurant of the Year by Cuisine magazine. Sean Connolly, celebrity chef, opened our Italian restaurant Gusto at the Grand in February this year.

The New Zealand International Convention Centre
SKYCITY and the Crown have agreed the NZICC Concept Design in accordance with the NZICC Agreement and SKYCITY is on track to apply for Resource Consent in the fourth quarter of 2014. Subject to a favourable outcome of the resource consent process we would expect the construction contract to be executed towards the end of this 2015 Financial Year. At that time the NZICC concessions will become operative.

The NZICC will enhance the rejuvenation of the western edge of the CBD and will provide a catalyst for further visitor and entertainment development in Victoria Quarter and SKYCITY's Federal Street. Auckland businesses of all sizes will benefit from increased high-value visitation. It will reinforce Auckland's reputation as a leading, vibrant, international city.

SKYCITY Chief Executive Nigel Morrison says the project is entering an exciting phase.

"These key concepts are the first steps in establishing what the NZICC is going to look like, not only in terms of the physical scale and appearance, but also the breadth and complexity of what the building can offer," says Mr Morrison.

Simon Jamieson, General Manager NZICC Development and Tourism, and his team have been leading our discussions with the Crown and other stakeholders for the NZICC.

New SKYCITY Hotel and Laneway
The SKYCITY Board has approved the expanded NZICC Master Plan which now includes a new 300 room five star hotel.

"We are excited to announce that to complement the NZICC a new 5 star 300 room SKYCITY hotel will be added to the plan with a contemporary pedestrian laneway which will extend the SKYCITY Entertainment Precinct over three blocks in the heart of Auckland's inner city." SKYCITY Chief Executive Nigel Morrison says.

"This lane will be home to bars, cafes and restaurants similar to the popular Federal Street precinct with the addition of boutique shopping."

International Business

Despite a softer 1H14, International Business had a record year with turnover up 14% to $6.5b. Normalised EBITDA was up 11% however reported EBITDA was down as a result of a below theoretical win rate of 0.97% (compared to an industry average and FY13 rate of 1.35%). Turnover for 2H14 was up by 41.3.

As we focused on growing our International Business and becoming more competitive in the region, we increased our maximum table differential from $200,000 to $250,000 in December 2013 which has, over this period increased volatility as we build up volume. We are now seeing more players playing at these higher levels and are confident the business will return to theoretical win rates in the medium term.

The FY15 year has started well with IB turnover to 10 August 2014 of $1.2b, and a win rate of 1.3%.

Rest of New Zealand

Hamilton normalised revenue of $48m was down 6.9% on FY13, which benefited from strong table games performance. While still facing a tough environment, some positive signs have emerged in the second half.

Queenstown saw positive normalised revenue growth of over 50% on the back of improving International Business and the acquisition of The Wharf in July 2013.

Total rest of New Zealand had normalised revenue growth of 2%, unfortunately this did not translate to normalised EBITDA growth, which was down 16% on FY13.

Adelaide

Trading
FY14 was significantly impacted by the sheer scale of changes made to the Adelaide Casino. Every inch of the main gaming floor and up to 80 percent of the rest of the facility has been affected in some way, which has led to significant disruption for our customers. At any one time, up to 40 percent of the floor and/or 40 percent of our product have been unavailable. We expect the A$40m refurbishment of Adelaide Casino to be substantially completed by the end of the 2014 calendar year.

As a result, Adelaide's local normalised EBITDA was down 18.2%. However, this was partially offset by the significant growth in our Adelaide International Business with normalised EBITDA up 85%, highlighting the significant potential of Adelaide as an IB destination.

Adelaide Casino Transformation
Between December 2013 and June 2014, we completed an extensive staged programme of works significantly transforming the Adelaide Casino, currently housed within the existing Heritage listed Adelaide Railway Station. These, together with the new taxation and regulatory framework will now enable the Adelaide Casino to compete nationally and internationally for the first time.

The extensive works that were completed over this period include:

- New Baccarat Pavilion and Table Gaming area
- New Platinum EGM room
- Upgraded Grange Table Games room
- Refurbishment of main gaming floor F&B outlets including Chandelier Bar and Cafe Junction
- New cashiers facilities, loyalty reception areas and gaming support facilities
- New Barossa Room; and
- VIP customer Bar and Lounge

Further redevelopment works will be completed throughout the balance of calendar 2014 year, including:

- **Sean's Kitchen** – a new and fully re-developed restaurant, bar and function concept to be operated by celebrity chef Sean Connolly and scheduled to open late September 2014

- A new contemporary offering, "**Madame Hanoi**" will feature modern French-Vietnamese inspired cuisine by award winning chef Nic Watt. This is scheduled to open late December 2014

- The Black Room - a new Premium Gaming area for top-tier Black level VIP EGM customers, offering an even more exclusive gaming experience, featuring private gaming salons

- Refurbishment and upgrade of North Terrace entrance to the property

Expansion Development
SKYCITY continues to develop detailed plans for the expansion of Adelaide Casino which includes the construction of a new contemporary iconic building housing SKYCITY's new 6 star Hotel, additional gaming capacity, Horizon Gaming suites and villas and additional signature restaurants and bars transforming the Adelaide Casino into a truly integrated tourism and entertainment complex.

Darwin

Darwin continues to show resilience with local revenues up marginally, but offset by cost pressures in the local economy.

The luxury Lagoon Resort in Darwin has continued to operate at close to full occupancy, attracting both local and international players alike with its five restaurants, eight bars and two Horizon international gaming villas and salons. This year, we completed the redevelopment of the Sky Room for local VIPs and increased automated table gaming. We have also introduced TITO gaming in the Sky Room and Diamond Room and on the main gaming floor. This gives us a clear competitive advantage locally and means we are now able to compete with other casinos.

We remain confident that large infrastructure projects, along with an increased focus on tourism and more flights to and from Asia should underpin long-term growth in Darwin.

Dividend

The final dividend of 10 cents per share is consistent with the prior year and in accordance with SKYCITY's dividend policy. Total dividends for FY14 are 20 cents per share.

The final dividend will be fully imputed for New Zealand shareholders, with no franking for Australia.

The dividend reinvestment plan will apply to the final dividend, at a 2% discount.

Note to editors: *Further information on adjustments between reported and normalised information is available in Appendix 1 and SKYCITY's investor pack at www.skycity.co.nz*

ENDS

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APPENDIX 1

Reconciliation of Reported results to Normalised results

	FY14				FY13			
	Revenue $m	EBITDA $m	EBIT $m	NPAT $m	Revenue $m	EBITDA $m	EBIT $m	NPAT $m
Reported	**902.5**	**256.5**	**175.7**	**98.5**	**947.8**	**293.9**	**217.1**	**127.3**
Adelaide transformation costs		4.3	4.3	3.0				
NZICC		0.3	0.3	2.8				2.0
Strategic project and development costs		1.4	1.4	1.0		1.6	1.6	1.4
Restructuring costs		2.3	2.3	1.7		1.6	1.6	1.1
Profit from sale of Christchurch				(0.9)				(0.1)
Auckland transformation costs		0.9	2.1	1.5			0.8	0.6
Total Adjustments		**9.2**	**10.4**	**9.1**		**3.2**	**4.0**	**5.0**
Adjusted	**902.5**	**265.7**	**186.1**	**107.6**	**947.8**	**297.1**	**221.1**	**132.3**
Provision for IB Debtors		0.2	0.2	0.2		2.4	2.4	1.7
International Business at Theoretical	24.8	21.7	21.7	15.4	0.2	3.3	3.3	2.3
Normalised incl Chch	**927.3**	**287.6**	**208.0**	**123.2**	**948.0**	**302.8**	**226.8**	**136.3**
Results from Christchurch Casino	-	-	-	-	2.3	2.3	2.3	2.3
Normalised	**927.3**	**287.6**	**208.0**	**123.2**	**945.7**	**300.5**	**224.5**	**134.0**

- SKYCITY's objective of producing normalised financial information is to provide data that is useful to the investment community in understanding the underlying operations of the Group
- Gaming Revenue figures reflect gaming win (inclusive of gaming GST). This facilitates Australasian comparisons and is consistent with the treatment adopted by major Australian casinos
- Non-gaming Revenues are net of GST
- Total Revenues are gaming win plus Non-gaming Revenues

- Key Adjustments are:
  - Adelaide transformation costs – business transformation and launch costs for Adelaide
  - NZICC – Interest on purchase of New Zealand International Convention Centre (NZICC) land bank calculated using the Group's average cost of debt of 6.92% on an average balance of $52m and other costs specific to this project
  - Strategic project and development costs - The Wharf acquisition, Brisbane, Gold Coast, Philippines and other miscellaneous items
  - Restructuring costs – costs associated with changing the staffing structures designed to create future efficiencies
  - Profit from sale of Christchurch – insurance recoveries from 2011 earthquake damage
  - Auckland transformation costs – business transformation and launch costs related to Auckland facilities

- IB win rate at 0.97% for FY14 (FY13: 1.35%).

Normalisation adjustments have been calculated in a consistent manner in FY14 and FY13

Note to editors: *All numbers in this media release are unaudited*