Brisbane Broncos

Level 1, 92 Fulcher Rd, Red Hill, Qld, 4059 T: 07 3858 9111 F: 07 3858 9112 www.broncos.com.au A.B.N. 41 009 570 030





BRISBANE BRONCOS LIMITED CHAIRMAN'S ADDRESS Annual General Meeting 23 April 2013

Good morning ladies and gentlemen. It is my pleasure to welcome you to the 2012 Annual General Meeting of shareholders of Brisbane Broncos Ltd. Our formal agenda is governed by the Notice of Meeting. Following this our CEO Paul White will provide you with some further information and provide you with more opportunities to ask questions from the floor.

My name is Lawrence Brindle and I am the Chairman of the Company. Sitting with me are my fellow directors Katie Bickford, Tony Joseph and Dennis Watt and our CEO Paul White.

We also have in attendance our Senior Executive Team including Company Secretary Louise Lanigan, General Manager Marketing and Commercial Operations Terry Reader, General Manager Football Operations Andrew Gee, and our Chief Financial Officer Shirley Moro.

Our auditors Ernst & Young are represented by the partner of our audit Brad Tozer.

The Group achieved a net profit after tax of \$2.15 million for the 2012 financial year. This is an increase of 58% on last year's result.

The strength of our balance sheet allowed us to pay fully franked dividend of 1.75 cent per share on 16 April 2013.

Total revenues increased by \$3.9 million to \$32.9 million and EBITDA increased by 84% to nearly \$2.9 million.

The underlying strength of our revenue base allowed us to increase traditional rugby league revenues by nearly \$1.9 million. Of this nearly \$1.2 million came from higher National Rugby League (NRL) grants relating to salary cap increases. Solid growth in sponsorship and corporate sales more than offset softer gate and membership revenues.

We also received a special grant from the NRL following the finalisation of the new media contracts totalling \$.5 million. This grant will not be repeated.

We also recognise the continuing support of the Broncos Leagues Club whose support totalled \$.5 million.

















Non-rugby league revenues have nearly doubled to \$3.33 million.

Our diversification strategy is starting to pay off. EBITDA from non-rugby league sources now comfortably exceeds traditional sources.

Most NRL clubs have either completed or are investigating new high performance centres as part of their strategy to remain competitive. With cash balances over \$16 million at December 2012 and a growing revenue base, the Broncos are actively investigating building options for a new high performance centre. Funding structures and the project costs have not been finalised and as such they may impact on future dividend payout ratios.

We look forward to 2013, our 25th anniversary year in the elite Australian rugby league competition. To date we have completed three highly attractive home games. Revenues from these games should exceed the first three games of last year. However, full year results will depend on financial outcomes for the less attractive games later in the season. The lack of visibility relating to revenues from these games makes it inappropriate to provide guidance at this time.

Finally, on behalf of the Board I express my thanks to all Broncos people for their efforts and support over the past 12 months.