BRISBANE
BRONCOS

BRISBANE BRONCOS LIMITED

Annual General Meeting – Tuesday 23 April 2013

Agenda

2013 Annual General Meeting

- Welcome and introduction
- Chairman's report
- Financial statements
- Remuneration report
- Re-election of Director – *Dennis Watt*
- Chief Executive Officer report

Board of Directors

Lawrence Brindle
Chairman

Katie Bickford
Director

Dennis Watt
Director

Tony Joseph
Director

Senior Executive Team

Paul White
Chief Executive Officer

Louise Lanigan
Company Secretary

Terry Reader
General Manager, Marketing & Commercial Operations

Andrew Gee
General Manager, Football Operations

Shirley Moro
Chief Financial Officer

We are delivering on financial performance

Financial performance driven by growth

- Focus on diversifying revenue streams
- Delivering for sponsors & corporate partners with great service
- Introducing innovative game day initiatives
- Strong emphasis on growing our membership
- Emphasis on community engagement to grow our supporter base and goodwill as a corporate citizen

Substantial increase in our dividend

- **Dividend of 1.75 cents per share franked to 100%**

Strong overall balance sheet

- **Cash reserves rose to $16.116m**

Quality sponsors & an increased NRL media rights agreement have provided an underlying strength to our revenue base

Revenues ↑
$32.9m
2011
$29.0m

EBITDA ↑
$2.890m
2011
$1.571m

Net Profit after Tax ↑
$2.150m
2011
$1.360m

Our diversity strategy is driving real growth

Traditional Rugby League operations including:

- NRL grant
- Sponsorship
- Corporate sales
- Gate & membership

Revenues ↑
$28.555m
2011
$26.681m

Special NRL grant

Revenues ↑
$.500m
2011
$.0m

Broncos Leagues Club grant

Revenues ↔
$.500m
2011
$.500m

Other non Rugby League revenues

- Interest income
- Merchandising
- Education & training

Revenues ↑
$3.329m
2011
$1.792m

Our diversity strategy is driving real growth

	2012	2011	+/-
EBITDA ($'000)			
Traditional Rugby League operations	808	403	405
Special NRL funding grant	500	0	500
Leagues Club grant	500	500	0
Other non Rugby League revenues	1,082	668	414
	2,890	**1,571**	**1,319**
Add/(Less)			
Interest revenue	782	756	26
Depreciation & amortisation	(498)	(306)	(192)
Taxation	(1,024)	(661)	(363)
Net Profit for the year	**2,150**	**1,360**	**790**

Focus on capital management

Capital commitments

The company is investigating building options for the development of a new high performance centre. The project's impact on the balance sheet and profitability has not yet been assessed.

Cash balances

Cash balances grew to **$16.116 million**.

Dividend policy

The directors consider the current strong balance sheet supports a **payout ratio of 80%**. Future payout ratios may be impacted by the proposed high performance centre.

2013 Guidance

Tough market requiring new initiatives.

To date we have completed 3 x attractive home games.
- **TV ratings:** v Sea Eagles 1.3M; v Storm 1.21M; v Cowboys 965,000
- **Home crowds:** v Sea Eagles 31,139; v Storm 40,071; v Cowboys 42,556

Revenues and profits from these games should exceed the first 3 x games from last year.

However, the full year results often depend on the attendances and corporate support at the less attractive games.

Due to the uncertainty of match day revenues the company is unable to provide guidance at this time.

Agenda

- Tabling of financial statements
- Formal resolutions
- CEO presentation

Chief Executive Officer Presentation – Paul White

2012 – 2017 Brisbane Broncos Strategic Plan

To become Australia's premier sporting franchise

- Values & Culture
- Career Development
- Global Brand
- Community Engagement

Investing in players & game development

We are continuing to grow our Game Development resources:

Paul Dyer
Game Development Manager

- **Fletcher Holmes** — *Brisbane-North*
- **Michael Hancock** — *Brisbane-South*
- **Michael DeVere** — *Brisbane-East*
- **Col Henschell** — *Brisbane-North West*
- **Darren Burns** — *Gympie-South Burnett*
- **Simona Vavega** — *Brisbane-West*

GREENBANK RSL
CARINA LEAGUES CLUB

Community Based Programs

Rugby League focus through Broncos link

ASPLEY FOOTBALL CLUB
ARANA FOOTBALL CLUB

Football Club Programs

Assisting community via Leagues Clubs support

QUEENSLAND GOVERNMENT- GYMPIE JRL
QUEENSLAND GOVERNMENT- WEST BRISBANE

Sport and Recreation Club Programs

Supported via football club and community support

Regional tours by Game Development Department:

Cairns	Ballina	Casino	Miles
Gympie	Toowoomba	Lismore	Kyogle
Moranbah	South Burnett	St George	Wide Bay
Wandoan	Rockhampton	Bundaberg	

Continued investment in Elite Player Development

Instead of being restricted to outside recruitment limitations, we have TWO world-class IN-HOUSE Elite Player Development systems:

- **Brisbane Broncos Academy:** Juniors 15-16, Seniors 17-18
- **Feeder Club System:** Brisbane North, Brisbane South, Gold Coast, Sunshine Coast, Rockhampton Talent Squads

New partnership with Ipswich Rugby League adding to our current associations with Intrust Super Cup clubs:

- Redcliffe
- Wynnum
- Norths
- Central Queensland
- **NOW IPSWICH**

Redcliffe Dolphins

Ipswich Jets

Norths Devils

Wynnum Seagulls

Central Capras

- Conduct approx. 8 coach education or skill development sessions.
- Provide resource based support.
- Support Affiliate Club school & junior club programs.

Building our membership & supporter base

Expanded Regional Dinners Program

- **Win/Win grassroots partnerships**
- **Driven & promoted by the local Rugby League clubs themselves**
- We supply current & former players plus coaching & club staff
- Local club provides new members, supporters & business contacts
- **All event profits go back into Junior Rugby League**

- **Rockhampton**
- **Gladstone**
- **Dalby**
- **Mackay**
- **Bundaberg**
- **Longreach**

1,700+ new non-ticketed members added in 2012

New membership & supporter initiatives

Supporting competitions in regional communities

- **Competitions access**

Season 2012: Launch of the *Broncos Insider* TV Show

- 8 x episodes Channel Nine in Brisbane during 2012
- First club on the eastern seaboard to do this
- Fully funded initiative – TV sponsorship
- **TV ratings timeslot winner**

Season 2013

Now 12 x episodes scheduled

- 6 x episodes before State Of Origin: **THIS Sunday 28 April** – Sunday 2 June
- 6 x episodes after State Of Origin: Sunday 28 July – Sunday 1 September
- Timeslot straight out of *The Sunday Footy Show* with promos during show

New membership & supporter initiatives

In-house Membership Management Department established

- Ready for Season 2013
- 6 x full-time staff
- Personalised membership servicing
- Direct membership promotions
- *Pilot NRL club alongside Bulldogs*

- 2013 current ticketed memberships – **17,842**
- **2013 target = 19,936**
- **2017 target = 35,095**
- Remaining stadium seats - **15,170**

- Current non-game memberships – **6,804**
- **2013 target = 7,300**

- 2013 current ticketed memberships: 17,842
- 2017 ticketed memberships target: 35,095
- Remaining seats at Suncorp Stadium for non-members: 15,170

Building our membership & supporter base

Building our relationship with members & supporters

- By introducing innovative communication methods (viral interactive campaign)
  - *Membership Are You With Us?* Campaign
- Broncos v Cowboys Derby Deal Membership
  - Added 5,200 non-ticketed members to database
- By recognising the special relationship members have with the team
  - *Yellow Coats Membership Ambassador Line*
- By enhancing the game day experience
  - 2013 season-long *Rally Towels*
- By visiting regional communities
  - *Broncos To The Bush,* Arrow Energy Dalby Fan Day (2012 & 2013)
- Won the 2012 NRL Membership Race: 26,000+ members total

Building our membership & supporter base

Engaging with sponsors and corporate clients

- By providing excellent service including the use of corporate ambassadors
  - Allan Langer, Gorden Tallis, Darren Lockyer, Shane Webcke, Kerrod Walters,
- By providing sponsors 'money can't buy' opportunities
  - Boardroom lunches, *Train With The Team* corporate days

Building our community support

Season 2012: Community projects labour

- Players and staff completed 8,708 hours of community work
- Equivalent of nearly 5 x full-time staff

Season 2012: Community projects

- Continuation of the *Learn Earn Legend* Indigenous Mentoring Program
- Now partners with the *Deadly Choices* Indigenous healthcare initiative as of Thursday last week

Continuing to build our brand

The Power of the Brisbane Broncos

#1 MOST WATCHED team on free-to-air television in all football codes in 2012
(Repucom, 2012)

#1 MOST WATCHED Australian club team in four of the last six seasons
(Repucom, 2012)

#1 Australia's MOST WIDELY SUPPORTED sporting club: 1.284 million fans
(Roy Morgan, 2011)

270,000+ 'likes'. Highest in Aust. club sport, 30th biggest Facebook brand in Australia

Over 29,000 followers on Twitter

Most popular smartphone apps in NRL
50,000 downloads since mid-2011

500,000 views & 100,000 uniques/per mth
300k+ video streams viewed in 2012

Avg. 2012 TV audience of 917,000
Increase on 2011 viewer numbers

32,235 Average 2012 home game crowd

94%
of fans believe the Broncos stand for 'professionalism' and 'success'

Total TV audience in 2012 22.9 million

Our fans are …

With great
success
comes great
expectation

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