



THE STAR

ENTERTAINMENT
GROUP





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GROUP

ANNUAL GENERAL MEETING

THURSDAY 26 OCTOBER 2017



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John O'Neill AO, Chairman The Star Entertainment Group

The Star Entertainment Group Limited - ACN 149 629 023

OUR BOARD OF DIRECTORS



John O'Neill AO
Chairman and
Non Executive
Director



Matt Bekier
Managing
Director and
Chief Executive
Officer



Katie Lahey AM
Non Executive
Director



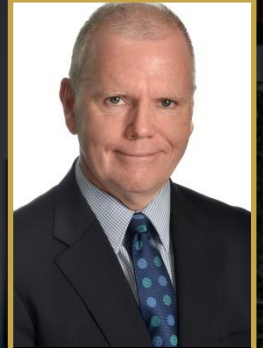
**Richard
Sheppard**
Non Executive
Director



Gerard Bradley
Non Executive
Director



Sally Pitkin
Non Executive
Director



Greg Hayes
Non Executive
Director

OUR VISION



TO BE
AUSTRALIA'S
LEADING
INTEGRATED
RESORT
COMPANY



BRAND PILLARS

- THRILLING EXPERIENCES
- ACCESSIBLE LUXURY
- LOCAL SPIRIT



PRIORITIES

- SHAREHOLDER VALUE
- WORLD CLASS PROPERTIES
- LEADERSHIP IN LOYALTY
- EXCELLENCE IN GUEST SERVICE
- TALENTED TEAMS



VALUES

- OWNERSHIP
- TRUE TEAMWORK
- WELCOMING
- CITY PRIDE



SERVICE COMMITMENTS

- LIVE IT – BE HUMAN
- OWN IT – BE A STAR PLAYER
- BRING IT – BE YOUR BEST SELF
- DELIVER IT – BE THE PERFECT HOST

THE 2017 FINANCIAL YEAR

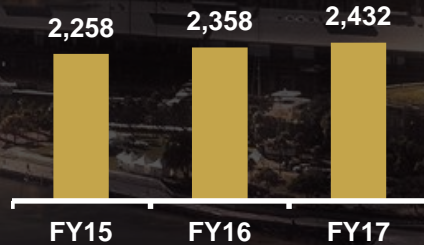
\$2,432
MILLION
ACTUAL GROSS
REVENUE

\$264
MILLION
STATUTORY
NPAT

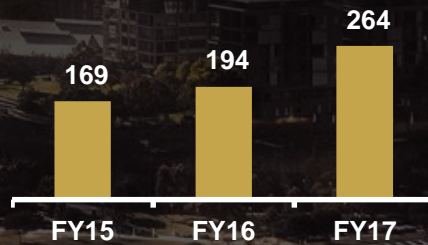
32.0
CENTS
BASIC EARNINGS
PER SHARE

16.0
CENTS
DIVIDEND PER
SHARE

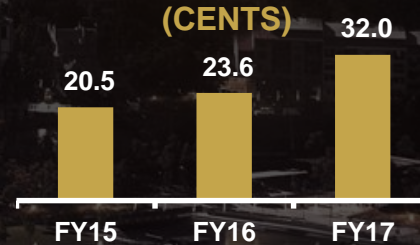
ACTUAL GROSS
REVENUE (\$M)



STATUTORY NPAT
(\$M)



BASIC EARNING
PER SHARE
(CENTS)



DIVIDEND PER
SHARE (CENTS)



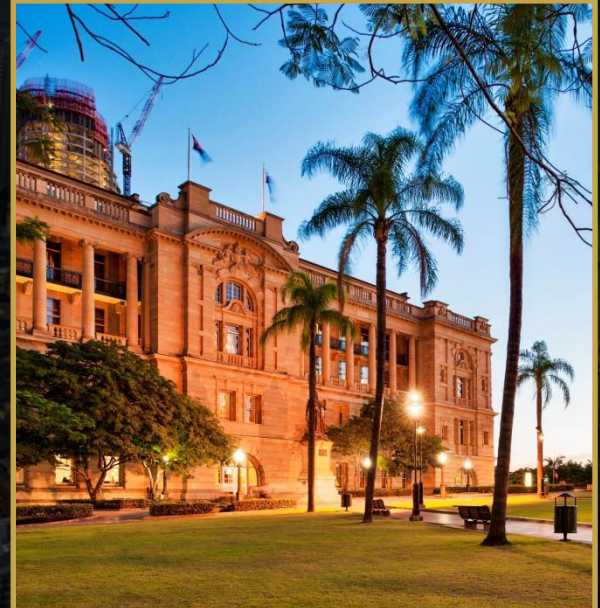
OUR TOURISM ASSETS



The Star Sydney



The Star Gold Coast



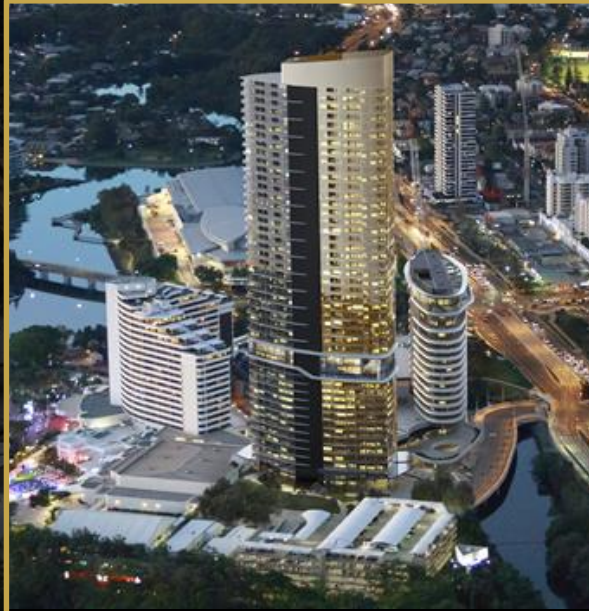
Treasury Casino & Hotel

OUR PLACEMAKING DEVELOPMENTS



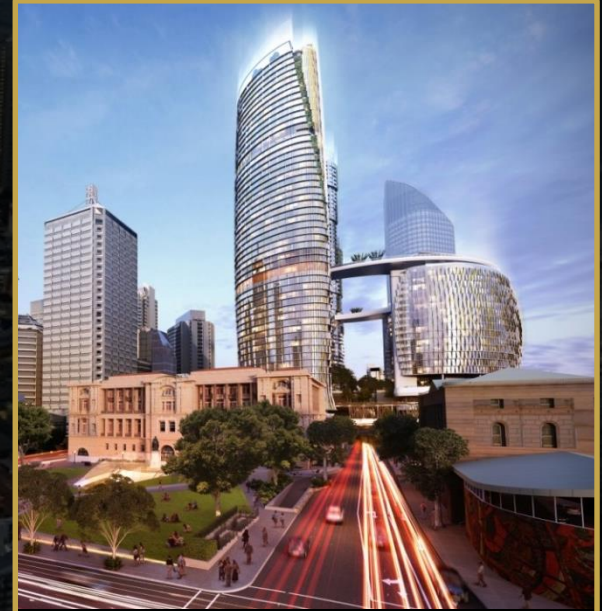
The Star Sydney

Up to \$1bn expansion



The Star Gold Coast

Up to \$845m expansion



Queen's Wharf Brisbane

\$3bn development



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Matt Bekier, Managing Director and CEO The Star Entertainment Group

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SERVICE COMMITMENTS

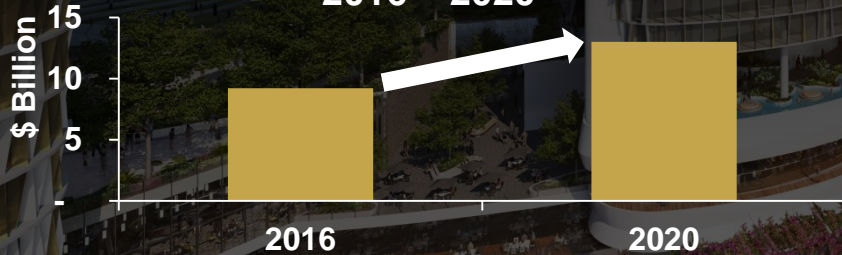
- LIVE IT – BE HUMAN
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CHINESE TOURISM AND AUSTRALIA

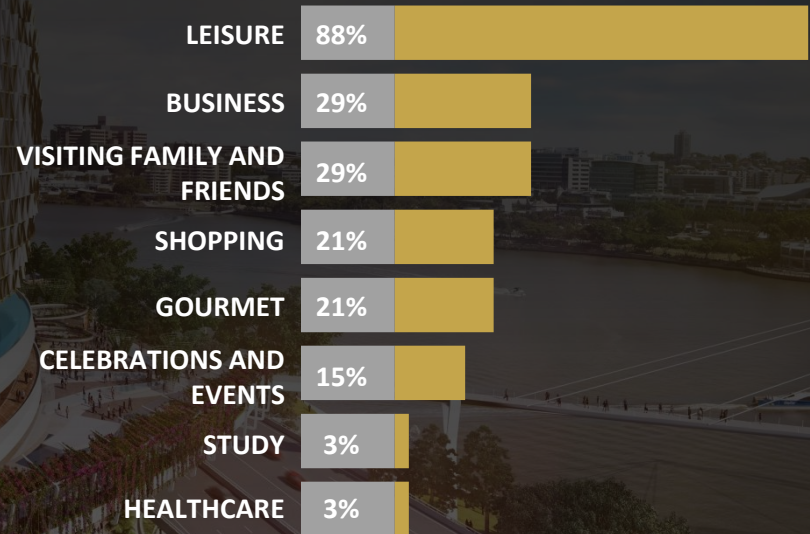
CHINESE TOURISTS FORECAST 2017 – 2026



INCOME FROM CHINESE TOURISTS 2016 – 2020



CHINESE TRAVELLER PREFERENCES IN RELATION TO AUSTRALIA AS A DESTINATION



INTERNATIONAL VIP BUSINESS



DIVERSIFIED INTERNATIONAL VIP AND PREMIUM MASS BUSINESS SOURCING FROM AN EXPANDED RANGE OF MARKETS



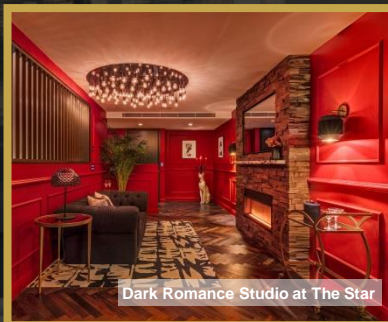
EXPANDED INTERNATIONAL SALES TEAM TO ENABLE COVERAGE OF A BROADER INTERNATIONAL FOOTPRINT



INTERNATIONAL VIP AND PREMIUM MASS GUESTS WELCOMED FROM 13 COUNTRIES AND CONTINUING TO ACCESS NEW MARKETS

THE STAR SYDNEY

Forbes ★ ★ ★ ★
TRAVEL GUIDE
— 2017 AWARDS —



THE STAR SYDNEY DEVELOPMENT



Note: Images are concept only. Property capital projects are subject to all approvals

THE STAR GOLD COAST



Garden Kitchen & Bar



Refurbished Penthouse



Mei Wei Dumplings



Luxury Poolside Experience

GOLD COAST DEVELOPMENT AND MASTERPLAN



New luxury 5 star tower – currently under construction



Proposed The Star Residences Apartment



Sports Bar render – currently under construction



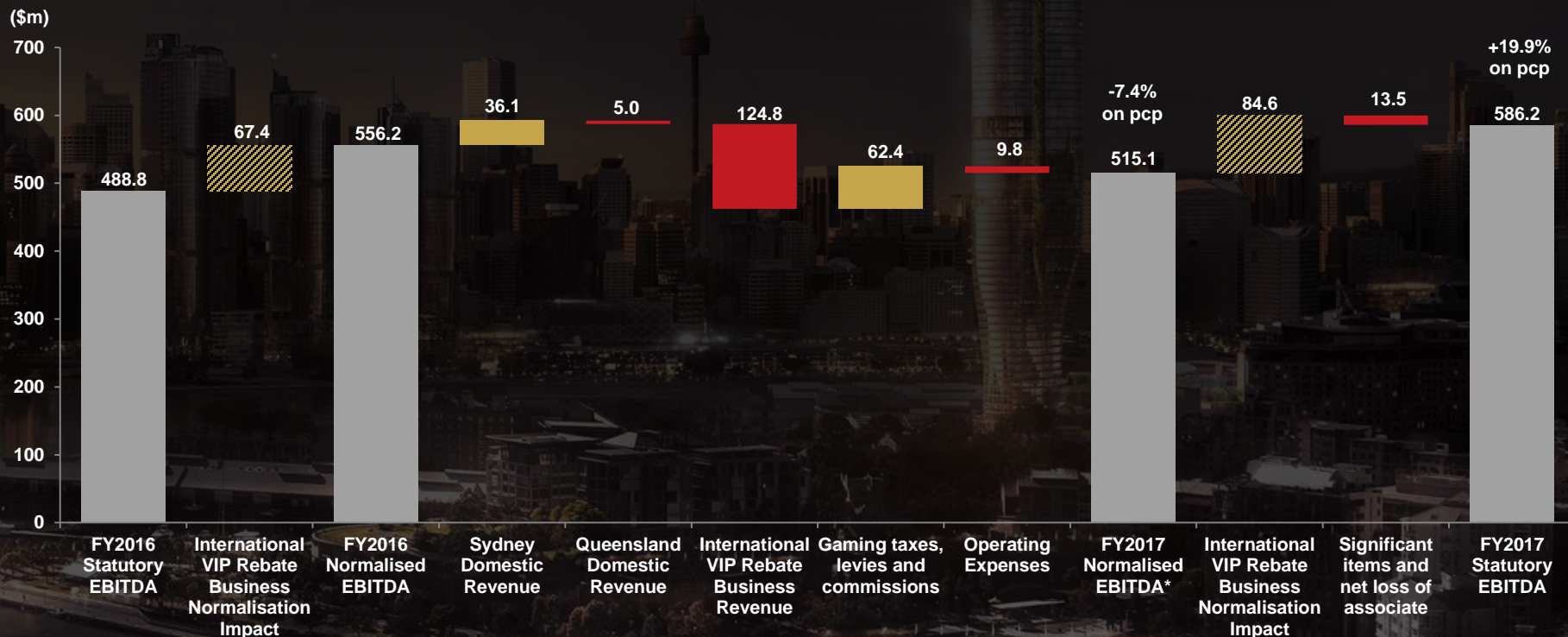
Proposed The Star Residences Pool

Note: The above images are concept only. Property capital projects are subject to all approvals

THE 2017 FINANCIAL YEAR RESULTS

- ◆ Statutory NPAT of \$264.4 million, up 36.0% on FY2016
- ◆ Normalised NPAT of \$214.5 million, down 11.1% on FY2016
- ◆ Actual EBITDA of \$586.2 million, up 19.9% on FY2016
- ◆ Normalised EBITDA of \$515.1 million, down 7.4% on FY2016
- ◆ Actual gross revenue of \$2,432.2 million, up 3.2% on FY2016
- ◆ Normalised gross revenue of \$2,337.3 million, down 3.9% on FY2016
- ◆ Basic Earnings Per Share up 36.0% on FY2016
- ◆ Full year dividend (fully franked) of 16 cents per share declared, reflecting a 50% statutory NPAT payout ratio, up 23.1% per share from FY2016

KEY DRIVERS OF THE 2017 FINANCIAL YEAR RESULTS



* Before equity accounted investments loss of \$0.7m and significant items loss of \$12.8m.

Normalised results reflect the underlying performance of the business as they remove the inherent win rate volatility of the International VIP Rebate business. Normalised results are adjusted using an average win rate of 1.35% on turnover and are before significant items.

OUR AWARD WINNING PROPERTIES

#1

**'GLOBAL LEADER'
CASINO AND
GAMING INDUSTRY**

Dow Jones Sustainability
Index (DJSI)
assessment 2017



FORBES 5 STAR RATING

The Darling Hotel at The Star Sydney is Sydney's only luxury hotel to receive the prestigious Forbes Five-Star rating



BEST SPECIALTY EVENT VENUE

The Star Event Centre – National Meetings and Event Awards



SILVER EMPLOYER

'Pride in Diversity'
Australian Workplace Equality Index for LGBTI Inclusion



BEST ENVIRONMENTAL AND ENERGY EFFICIENCY PRACTICES

The Star Sydney – 2017 Australian Hotels Association (AHA) National Awards for Excellence



FINALIST

Australian HR Awards – Employer of Choice, Diversity & Inclusion, Reward & Recognition Program

48

**AWARDS
ACROSS OUR
PROPERTIES
IN FY2017**



6-STAR GREEN STAR COMMUNITIES RATING V1

Awarded for the Queen's Wharf Brisbane integrated resort development

OUR PEOPLE AND COMMUNITIES

8,000+
TEAM MEMBERS
ACROSS OUR
PROPERTIES
IN FY2017



\$13+
MILLION
CONTRIBUTION TO
COMMUNITY GROUPS,
CHARITABLE
ORGANISATIONS AND
PARTNERSHIPS

GROUP YEAR TO DATE TRADING (UNAUDITED)

- ◆ For the period from 1 July to 22 October 2017, total normalised group revenue is up 4.0% on the pcp, with domestic revenue up 5.2% on the pcp
- ◆ Domestic revenues in both Sydney and Queensland are exhibiting similar levels of growth in FY2018 YTD, with momentum continuing at The Star Gold Coast
- ◆ Volumes in the International VIP Rebate Business are broadly in-line with the pcp to 22 October. The Star continues to benefit from the diversification strategy aimed at broadening the base of customers and source markets in our International VIP Business. Win rates in the International VIP Rebate Business can fluctuate over short periods of time. Statutory group revenues have been impacted by the win rate in the International VIP Rebate Business in this period with the actual win rate below theoretical. Actual win rates were above theoretical win rate in prior period. This has impacted the Statutory group revenue, with Statutory revenue down 12.1% on the pcp

PRIORITIES FOR THE NEXT 12 MONTHS

Priorities for the 2018 financial year are clear:

1. Improve earnings across the Group through continued focus on domestic gaming and operating efficiencies
2. Deliver on the next stage of the capital works program
3. Progress planning approvals for joint venture developments with Chow Tai Fook and Far East Consortium in Sydney and Gold Coast
4. Continue diversification of the Group's VIP and Premium Mass revenue base
5. Continue the drive to differentiate the value proposition at each property



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