

THURSDAY 21 FEBRUARY 2019

Major entertainment, hospitality and leisure operator EVENT Hospitality & Entertainment Limited ("EVT") today announced a half year result with normalised profit before interest, individually significant items and income tax from continuing operations ("PBIT") of \$87.9 million, an increase of \$1.6 million or 1.9% above the prior year result. Normalised profit after income tax from continuing operations was \$83.4 million, consistent with the prior half, whilst the statutory net profit after tax including discontinued operations was \$67.5 million, an increase of \$0.6 million or 0.9%.

In announcing the result, EVT CEO Jane Hastings said: "The half year result included strong PBIT growth from Entertainment Australia +10% and New Zealand +20%, assisted by the second highest first half box office on record in both markets. Another record result from Thredbo, with PBIT up 7%. The Hotels and Resorts result was slightly below the prior year but on a like-for-like basis, the Group's owned hotels achieved PBIT growth of 1.5% despite less favourable market conditions in Sydney, Perth and Cairns. We were also pleased with the continued growth of our management agreements with four hotels joining the Group during the half year. We have been focused on extending our QT footprint and in addition to QT Auckland, we have signed a management agreement for QT Adelaide in 2021."

Ms Hastings also commented on the Group's German division: "CineStar has been presented as a discontinued operation following the October announcement of a sale of CineStar to Vue International, subject to regulatory approval. The operational result was impacted by the cyclical admissions disruption from the FIFA World Cup, an extended summer with record warm temperatures, a reduction in the contribution from local films and a Hollywood film line up that lacked appeal to German audiences. The sale is expected to complete later in the 2019 calendar year."

With regard to the asset review Ms Hastings commented "We are focussed on maximising the potential and returns from our assets. The sale of CineStar and underperforming hotels QT Port Douglas and Rydges Gladstone and the closure of three small cinemas during the half year are part of the strategy to improve earnings and reinvest in assets that will deliver a strong return. Some of these major asset investments include mixed-use developments at 458-472 George Street and 525 George Street in Sydney, and key asset upgrades and developments including Rydges North Sydney and Rydges Queenstown, as well as our key cinemas in Australia and New Zealand. We are making good progress on the major developments."

EVT's underlying unallocated expenses were consistent with the prior half year, but were impacted by incremental incentive payments due in relation to the 2018 record financial year.

EVT Chairman Mr Alan Rydge also announced today a fully franked interim dividend of 21 cents per share, consistent with the prior year's interim dividend.

EVT operates cinemas in Australia and New Zealand primarily under the EVENT, BCC and GU Filmhouse brands, and in Germany under the CineStar brand. In Hotels and Resorts, EVT operates under the Rydges, QT and Atura brands. EVT also owns the Thredbo Alpine Resort and has significant property holdings.

Further information

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