



THE STAR

ASX Announcement

20 February 2020

2020 HALF YEAR RESULTS PRESENTATION

Attached is the presentation regarding the financial results of The Star Entertainment Group Limited (**The Star Entertainment Group**) for the half year ended 31 December 2019, to be presented by Matt Bekier, Managing Director and Chief Executive Officer, and Harry Theodore, Chief Financial Officer.

The presentation and a link to an audio webcast of the presentation will be available on The Star Entertainment Group's website at www.starentertainmentgroup.com.au from 10:00am (Sydney time) today.

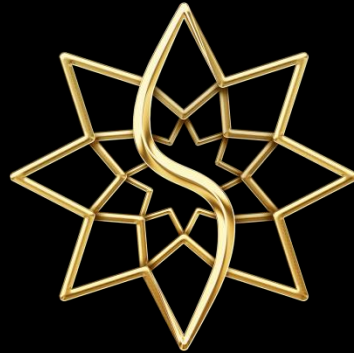
The information contained in this announcement should be read in conjunction with today's announcement of The Star Entertainment Group's half year results.

Authorised by:

The Board of Directors

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THE STAR

ENTERTAINMENT
GROUP

THE STAR ENTERTAINMENT GROUP

1H FY2020 RESULTS PRESENTATION

THURSDAY
20 FEBRUARY
2020

THE STAR ENTERTAINMENT GROUP

THE STAR ENTERTAINMENT GROUP LIMITED (ASX: SGR)

BASIS OF PREPARATION AND NON-IFRS INFORMATION

- ◆ Information in this presentation is provided as at the date of the presentation unless specified otherwise. It should be read in conjunction with The Star Entertainment Group Limited's financial report for the half year ended 31 December 2019 (Financial Report) and other disclosures made via the Australian Securities Exchange
- ◆ The Star Entertainment Group results are reported under International Financial Reporting Standards (IFRS). This presentation may include certain non-IFRS measures including normalised results, which are used internally by management to assess the performance of the business
- ◆ Non-IFRS measures and current trading 2H FY2020 results to date have not been subject to audit or review
- ◆ 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 actual turnover, taxes and revenue share commissions
- ◆ Normalised EBIT and Normalised EBITDA are calculated based on normalised gross revenue, taxes and revenue share commissions. Significant items are excluded from the normalised results
- ◆ Queensland results referred to in this presentation relate to The Star Gold Coast and Treasury Brisbane segments as reported in the Financial Report
- ◆ The Star Entertainment Group adopted AASB 16 Leases on 1 July 2019. The new standard impacts the Group's accounting for leases, with operating leases greater than 12 months required to be recognised on the balance sheet as a right-of-use asset and lease liability. The new standard also affects the classification and timing of expense recognition in the income statement, with a reduction to lease costs in operating expenses replaced by an increase in interest and depreciation expense. Comparatives have not been restated.

DISCLAIMER

- ◆ This presentation is prepared for information purposes only and does not take into consideration any individual investor's circumstances. The Star Entertainment Group recommends investors make their own assessments and seek independent professional advice before making investment decisions
- ◆ This presentation may include forward looking statements and references which, by their very nature, involve inherent risks and uncertainties. These risks and uncertainties may be matters beyond The Star Entertainment Group's control and could cause actual results to vary (including materially) from those predicted. Forward looking statements are not guarantees of future performance. Past performance information in this presentation is provided for illustration purposes only. It is not indicative of future performance and should not be relied upon as such
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THE STAR ENTERTAINMENT GROUP

AGENDA

1. OVERVIEW

MATT BEKIER – CEO

2. FINANCIALS

3. PRIORITIES

4. Q&A

HIGHLIGHTS

EARNINGS UP IN CHALLENGING CONDITIONS

- ◆ Normalised EBITDA of \$307m, upper range of October 2019 guidance. Normalised EBIT up 8.5%
- ◆ Domestic EBITDA up 6.0%, margin expansion, 92% of group EBITDA
- ◆ Credible VIP performance given market conditions – turnover up 2.0%

COST OUT DELIVERED AND EMBEDDED

- ◆ Cost base reset. \$20m cost out in 1H FY2020, ~\$45m annualised run rate
- ◆ Cost out risks well-managed – guest satisfaction at record highs

GOLD COAST MEETING RETURN HURDLES

- ◆ Gold Coast normalised EBITDA up 18.2%, normalised EBIT up 28.8%
- ◆ Broad-based growth. Slots revenue up 4.1%, tables revenue up 15.9%, non-gaming revenue up 7.3%, VIP normalised revenue up 36.5%
- ◆ 1H FY2020 annualised earnings meet investment hurdles

ALL CAPITAL WORKS ON TIME, BUDGET

- ◆ Sydney – Sovereign to open May 2020, Oasis to open June 2020
- ◆ QWB – \$1.6bn project debt funding mid-CY2020 financial close. Commitments received on attractive terms
- ◆ Gold Coast – first JV tower \$260m project debt funding in place
- ◆ Group capex reducing, future capex weighted to capital efficient JV structures
- ◆ Capital recycling – Sydney carpark concession sale process underway

DIVIDEND

- ◆ 10.5 cps fully-franked interim dividend, flat on pcp (76% of normalised NPAT, above minimum 70% target payout ratio)

HIGHLIGHTS

STRONG DOMESTIC RESULT – EBITDA UP 6.0%

	STATUTORY VS PCP		NORMALISED VS PCP	
Gross Revenue	\$1,176m	(11.9%)	\$1,307m	2.4%
Net Revenue	\$1,054m	(8.4%)	\$1,131m	1.9%
EBITDA	\$243m	(26.5%)	\$307m	3.5%
EBIT	\$142m	(36.6%)	\$206m	8.5%
NPAT	\$77m	(48.5%)	\$126m	2.1%

- ◆ Growth in group normalised EBITDA
- ◆ Strong domestic result in low growth market
 - Revenue up 2.4%, EBITDA up 6.0%
 - Sydney and Queensland margin expansion
- ◆ VIP diversification continued – turnover up 2.0%, International Premium Mass up 16.9%. Unusually low 0.73% actual win rate impacts actual results

GOLD COAST PROPOSAL SUBMITTED

- ◆ Detailed proposal (final step in Government’s 3-stage process) to be submitted by end February 2020 to Queensland Government to resolve Gold Coast regulatory uncertainty

EARLY 2H FY2020 TRADING

- ◆ Trading in early 2H FY2020 reflects challenging conditions, impacted by a continuing cautious consumer environment, bushfires and coronavirus
- ◆ From 1 January to 16 February 2020, domestic revenue is flat on a strong pcp
- ◆ Initial substantial impact from coronavirus on domestic visitation and revenue. Recent signs of return to normal domestic visitation patterns
- ◆ VIP volumes are up on pcp, though comparisons are difficult given the short time period and the impact of the coronavirus. Going forward, impact will depend on the length of border closures and speed of market recovery

Statutory results impacted by low actual International VIP Rebate win rate and significant items. 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 actual turnover, taxes and revenue share commissions and are before significant items. EBITDA is before equity accounted investments profits/ losses and significant items. Normalised NPAT is after equity accounted investments profits/ losses and before significant items. Refer to Note A4 of the Financial Report for a reconciliation of significant items.

CORONAVIRUS

IMPACT

- ◆ Coronavirus has affected international and domestic visitation, particularly in Sydney
- ◆ Onset coincided with the busy Lunar New Year period
- ◆ Initial substantial impact on domestic visitation and revenue. Recent signs of return to normal domestic visitation patterns
- ◆ Inbound visitation (VIP, tourism) continues to be impacted by border closures

RESPONSE

- ◆ Immediate and continuing focus on customer and team member safety (hand sanitisers at properties, increased EGM cleaning, face masks to staff on request, staff updates)
- ◆ Consequences of coronavirus being assessed and managed proactively. Daily calls provided real-time feedback informing staffing levels, sales and marketing activities

CURRENT STATUS

- ◆ Domestic marketing activities are returning to normal levels
- ◆ Good performance to date in VIP. Volume growth achieved by focusing on customers not affected by travel restrictions
- ◆ Impact on VIP will depend on length of border closures and resumption of normal travel patterns

SYDNEY

DOMESTIC EBITDA UP 3.0%

	STATUTORY VS PCP		NORMALISED VS PCP	
Gross Revenue	\$768m	(4.3%)	\$791m	(2.6%)
EBITDA	\$187m	9.3%	\$191m	0.4%
EBIT	\$128m	21.8%	\$132m	6.2%

- ◆ Earnings growth despite revenue decline
- ◆ Domestic earnings growth continued – revenue up 0.7%, EBITDA up 3.0%
- ◆ Normalised VIP revenue declined 13.8% reflecting challenging market
- ◆ Operating costs flat on pcp, absorbing new F&B capacity. Higher wages offset by cost out benefits

SLOTS AND TABLES FLAT ON STRONG PCP

- ◆ Slots and tables revenue flat on strong pcp (up 9.9% and 4.9% respectively in 1H FY2019 on pcp)
- ◆ Non-gaming revenue up 7.1%. Hotel cash revenue up 5.7% (higher cash rate and occupancy), F&B cash revenue up 11.0% (new outlets)

VIP FRONT MONEY UP, TURNOVER DOWN

- ◆ Unique VIP customers increased, spend per customer declined
- ◆ Front money up 3.4%, turns remain low (7.7x vs 9.2x in pcp), turnover down 13.8% on pcp. Actual win rates lower vs pcp (1.16% vs 1.28%)

DEVELOPMENTS ON TIME, BUDGET

- ◆ New Sovereign to open May 2020
- ◆ New Oasis to open June 2020 (repurpose existing interim Sovereign)

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 actual turnover, taxes and revenue share commissions. Statutory EBITDA is before equity accounted investments profits/ losses and significant items.

QUEENSLAND

BROAD-BASED NORMALISED GROWTH

	STATUTORY VS PCP		NORMALISED VS PCP	
Gross Revenue	\$408m	(23.3%)	\$516m	10.9%
EBITDA	\$57m	(64.7%)	\$116m	9.0%
EBIT	\$14m	(88.0%)	\$74m	12.8%

- ◆ Strong growth in normalised revenue and EBITDA. Unusually low VIP actual win rate impacts statutory results
- ◆ Broad-based growth – domestic gaming revenue up 5.2% (tables revenue up 6.8%), non-gaming revenue up 5.5%, normalised VIP revenue up 34.5%
- ◆ Domestic EBITDA up 11.5%
- ◆ Gold Coast investments drive continued earnings growth, normalised EBITDA up 18.2%
- ◆ Brisbane EBITDA maintained
- ◆ Operating costs up 1.5% on increased gaming and non-gaming volumes, higher wages and higher VIP debt provision, offset by cost out benefits

EGM MARKET SHARE GAINS, SOLID TABLES GROWTH

- ◆ Gold Coast and Brisbane EGM market shares increased. Slots revenue up 3.8% (PGR up 15.5%)
- ◆ Tables revenue up 6.8% (PGR up 10.7%)
- ◆ Non-gaming revenue up 5.5%, both hotel and F&B cash revenue up

STRONG VIP TURNOVER GROWTH

- ◆ Turnover up 34.5% on pcp
- ◆ Average spend increased, unique customers declined on strong pcp (pcp up 162%)
- ◆ Unusually low 0.16% actual win rate (2.32% in pcp)

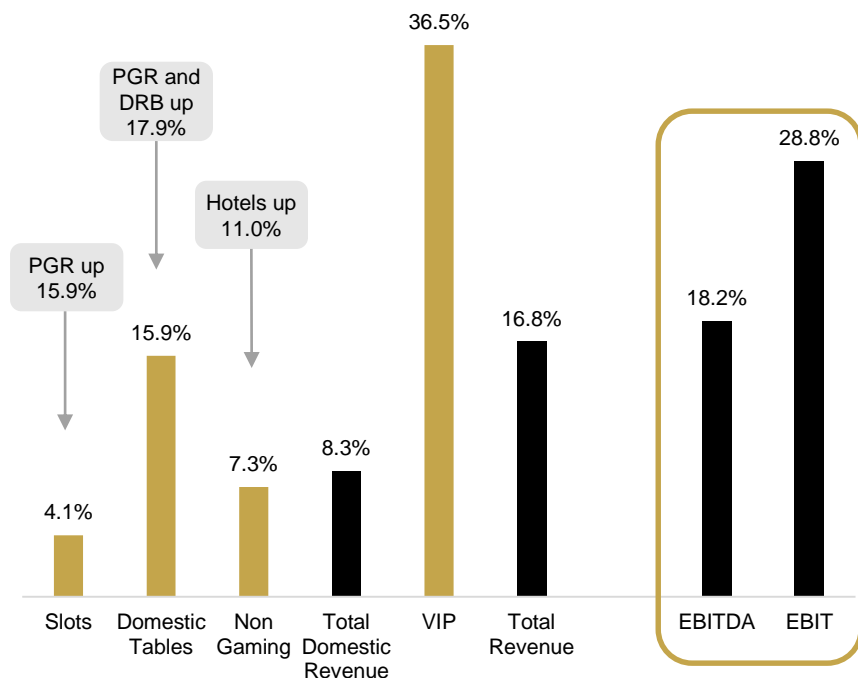
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GOLD COAST

HIGH QUALITY 1H FY2020 RESULT

- ◆ Broad-based growth materially above system
- ◆ Total normalised revenue up 16.8%, EBITDA up 18.2%, EBIT up 28.8%
- ◆ EGM market share increased

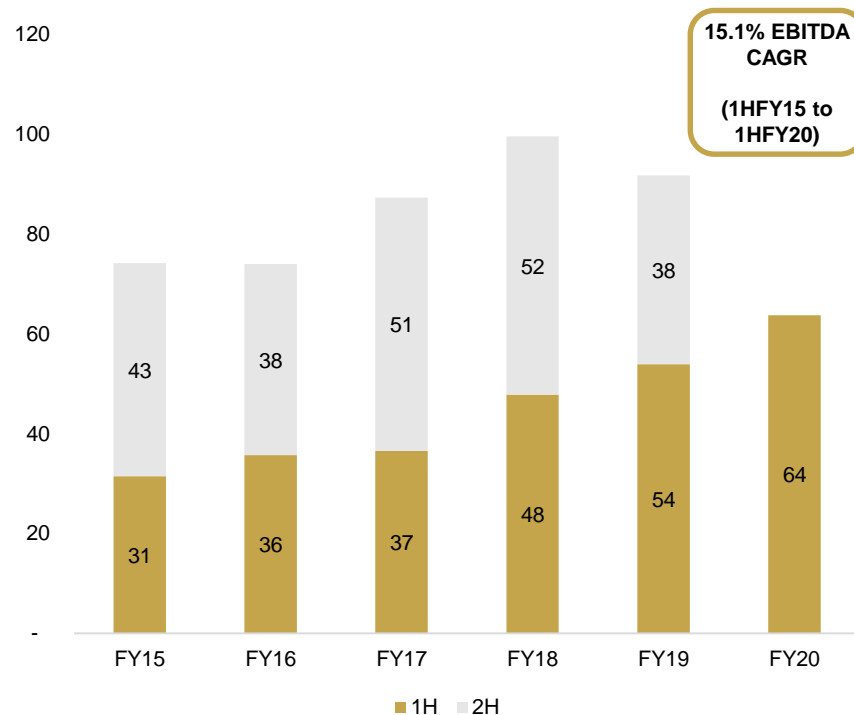
1H FY2020 vs pcp (normalised)



INVESTMENTS DELIVERING GROWTH

- ◆ Earnings step up since The Darling Gold Coast and MGF expansion/ upgrade completed 2H FY2018
- ◆ Returns on growth capital meeting investment hurdles. Ramp up continuing

Gold Coast Normalised EBITDA



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EGM MARKET SHARE

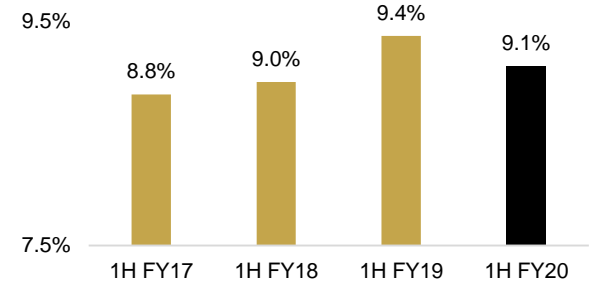
SYDNEY

- ◆ Sydney market share consolidated around longer term trends
- ◆ Market share declined impacted by strong growth in pcp (slots revenue up 9.9% in 1H FY2019 on pcp, driven by PGRs)
- ◆ Strong growth in MGF driven by higher volumes (jackpots, game mix) and pricing, offset by PGR given strength of pcp

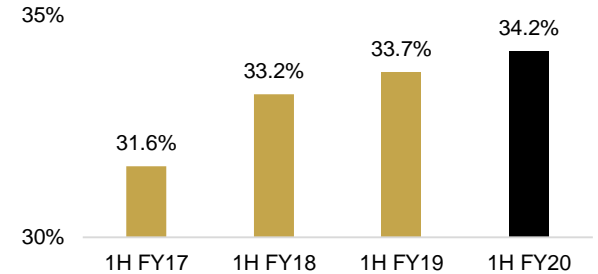
QUEENSLAND

- ◆ Combined South East Queensland market share increased
- ◆ Gold Coast increased market share on pcp
 - Solid NMR gains driven by PGRs
 - Continuing ramp up from upgraded and expanded facilities
- ◆ Brisbane increased market share on pcp
 - NMR gains in PGR, higher PGR machine count
 - Continuing operational improvements (investments in machines, PGR, service levels)

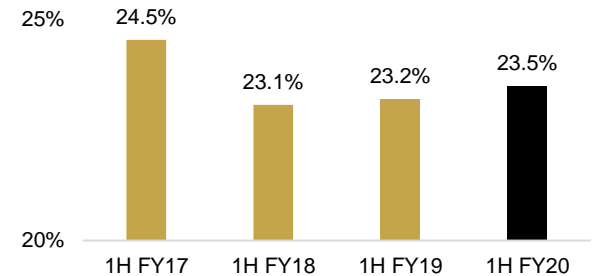
SYDNEY



GOLD COAST



BRISBANE



Source: Liquor and Gaming NSW, Office of Liquor and Gaming Regulation – Queensland Government, and The Star Entertainment Group data.

Sydney market share data includes both slots and MTGMs. Queensland market share data includes slots and fully automated MTGMs (excludes hybrid product), unless otherwise noted.

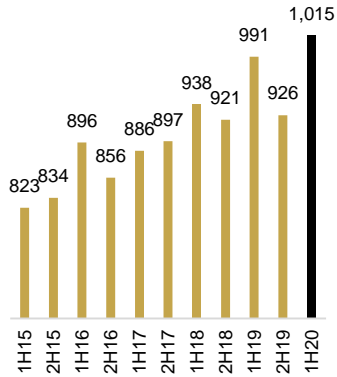
DOMESTIC PERFORMANCE

GROWTH TRENDS

- ◆ 1H FY2020 continued longer term trends
- ◆ Growth trends reflect investments (gaming and non-gaming), service levels, loyalty

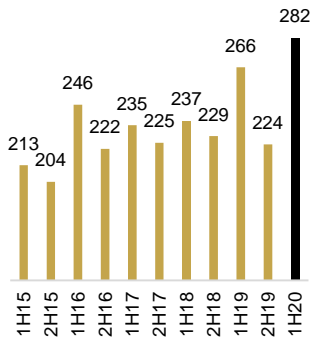
GROUP

Domestic Revenue



Total 4.3% CAGR
 Slots 3.4% CAGR
 Tables 5.1% CAGR
 Non-Gaming 3.7% CAGR

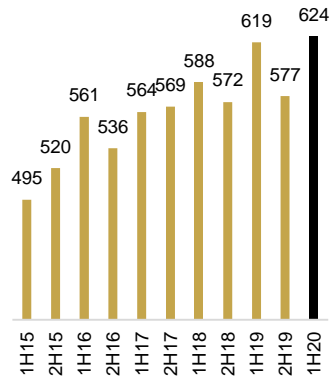
Domestic EBITDA



5.8% CAGR

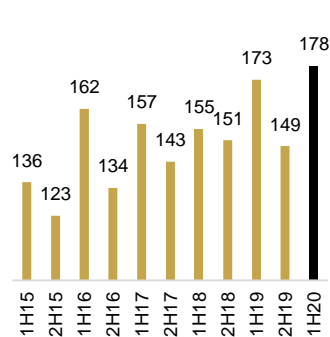
SYDNEY

Domestic Revenue



Total 4.7% CAGR
 Slots 4.8% CAGR
 Tables 5.0% CAGR
 Non-Gaming 3.4% CAGR

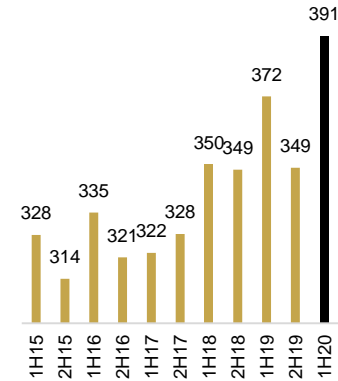
Domestic EBITDA



5.6% CAGR

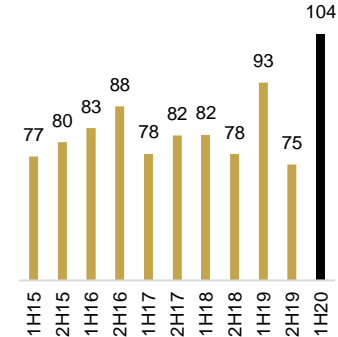
QUEENSLAND

Domestic Revenue



Total 3.6% CAGR
 Slots 2.0% CAGR
 Tables 5.5% CAGR
 Non-Gaming 4.1% CAGR

Domestic EBITDA



6.2% CAGR

INTERNATIONAL VIP REBATE

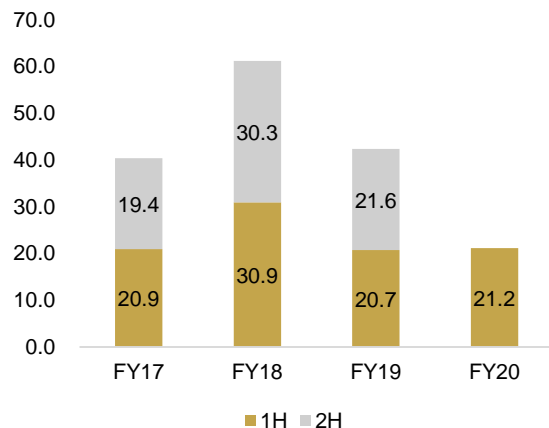
TURNOVER UP 2.0%

- ◆ International Premium Mass growth continued – turnover up 16.9%
- ◆ VIP customers down 4% (pcp up 10%)
- ◆ \$2.0bn front money down 8.5% on pcp, \$21.2bn turnover up 2.0%
- ◆ 0.73% actual win rate lowest for a half since 1H FY2008
- ◆ Sydney underperformed (turnover down 13.8%), offset by strong Queensland performance (turnover up 34.5%)
- ◆ Normalised VIP EBITDA \$25m (8% of group) down \$6m, impacted largely by debt provision

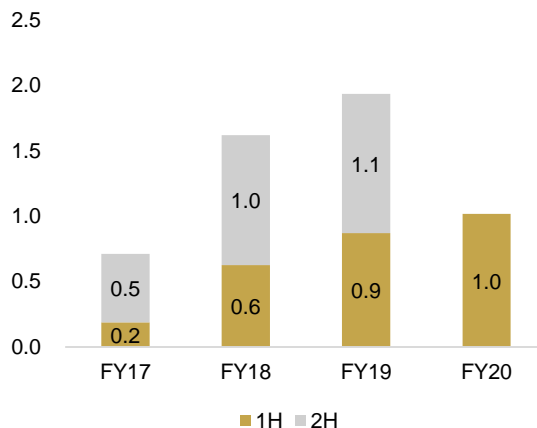
CREDIT DISCIPLINE MAINTAINED

- ◆ Credit discipline maintained in mixed market
- ◆ Increase in net receivables past due 1-3 years relate to small number of players

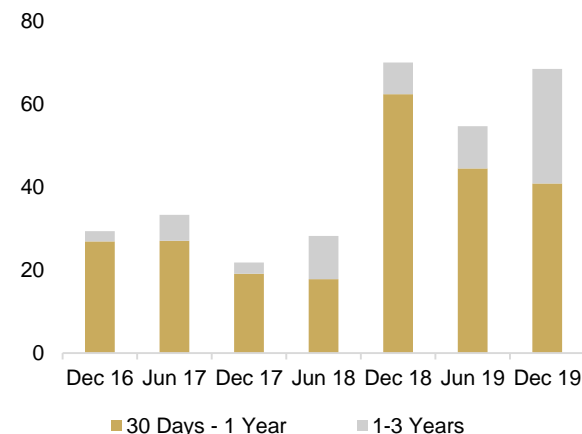
TOTAL TURNOVER (\$BN)



INTERNATIONAL PREMIUM MASS TURNOVER (\$BN)



NET RECEIVABLES PAST DUE (\$M)



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THE STAR ENTERTAINMENT GROUP

AGENDA

1. OVERVIEW

2. FINANCIALS

HARRY THEODORE – CFO

3. PRIORITIES

4. Q&A

OVERVIEW

COST OUT EMBEDDED

- ◆ Cost base reset. \$20m restructure cost out 1H FY2020, ~\$45m annualised run rate
- ◆ Operating costs flat on pcp. Higher domestic volumes, wage inflation, bonuses, and VIP debt provision offset by cost out benefits

CAPEX ON TIME, BUDGET

- ◆ \$146m 1H FY2020 capex (\$95m growth, \$51m maintenance), down \$20m on pcp. Growth capex largely Sydney Sovereign
- ◆ \$74m JV contributions for QWB and Gold Coast JV towers
- ◆ Sydney PGRs on track – new Sovereign opening May 2020, new Oasis opening June 2020
- ◆ QWB project costs ~60% under lump sum contract, ~75% expected by mid CY2020

BALANCE SHEET FUNDS INVESTMENTS

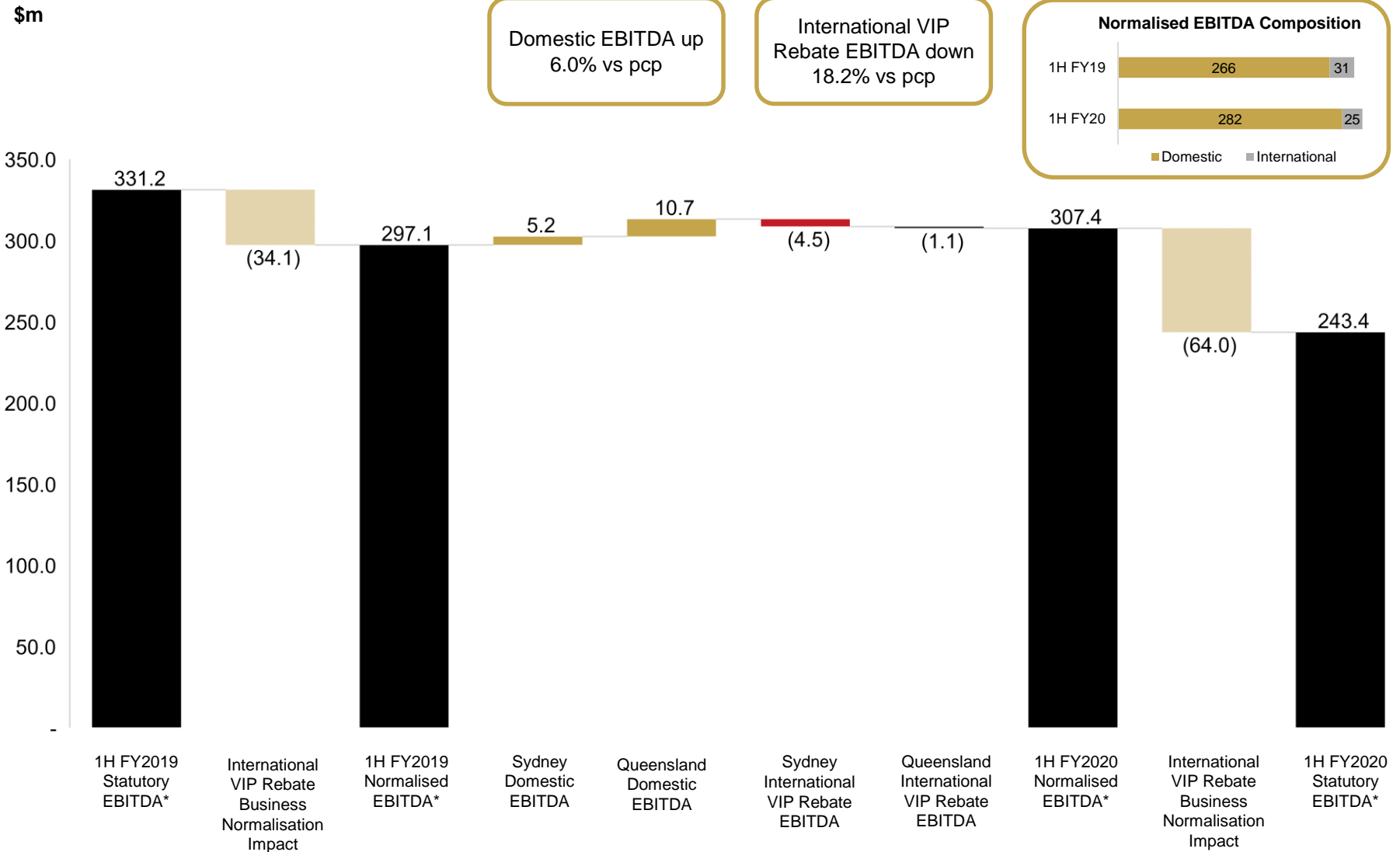
- ◆ Funding for planned capital expenditure in place
- ◆ Group only capex reducing. Long-term debt facilities in place
- ◆ QWB and Dorsett Hotel and Residences JV equity contributions to complete CY2020, long term project level debt funding in place
 - QWB \$1.6bn debt funding financial close by mid CY2020. Commitments received on attractive terms. First draw down 2H CY2020
 - Dorsett Hotel and Residential Tower \$260m debt funding completed. First draw down mid CY2020
- ◆ Gearing of 1.9x Net Debt/ normalised 12-month trailing EBITDA (2.5x Net Debt/ statutory 12-month trailing EBITDA)
- ◆ Further capital efficiency progressed. Sydney carpark sale process underway – investor ROI issued

FY2020 EXPECTATIONS UNCHANGED

- ◆ ~\$250m capex with additional \$175-200m in JV contributions
- ◆ \$195-205m* D&A
- ◆ \$45-50m* net funding costs, net of \$6-8m capitalised interest (\$4.6m in 1H FY2020)

* Includes impact of change to AASB 16 from 1 July 2019, increasing FY2020 D&A by \$7-8m and net funding by around \$4m

EBITDA BRIDGE



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 actual turnover, taxes and revenue share commissions and are before significant items.

* Excluding equity accounted investments profits/ losses and significant items.

COST OUT PROGRAM

RESTRUCTURE RECAP

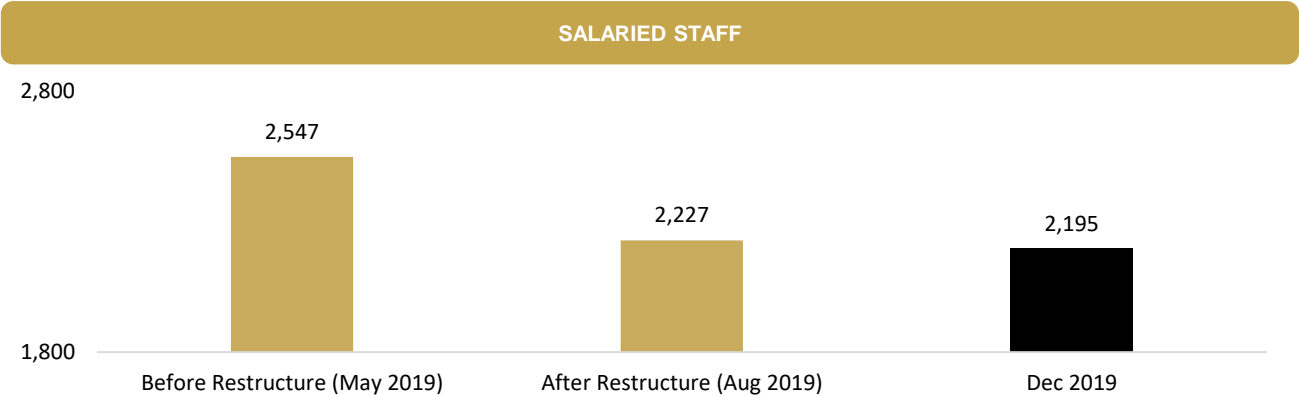
- ◆ Restructure improves capability, processes and decision-making
- ◆ Benefits from lower costs (reduce duplication, economies of scale) and improved efficiency (process improvements, automation, faster decisions)

RISKS WELL MANAGED

- ◆ Customer service levels maintained – no enterprise award staff affected
- ◆ Guest satisfaction at record highs

COST BENEFITS DELIVERED

- ◆ Cost base reset. \$20m cost benefits delivered in 1H FY2020 through lower salaried staff
- ◆ Cost benefits at ~\$45m annualised run rate



OPERATING COSTS FLAT ON PCP

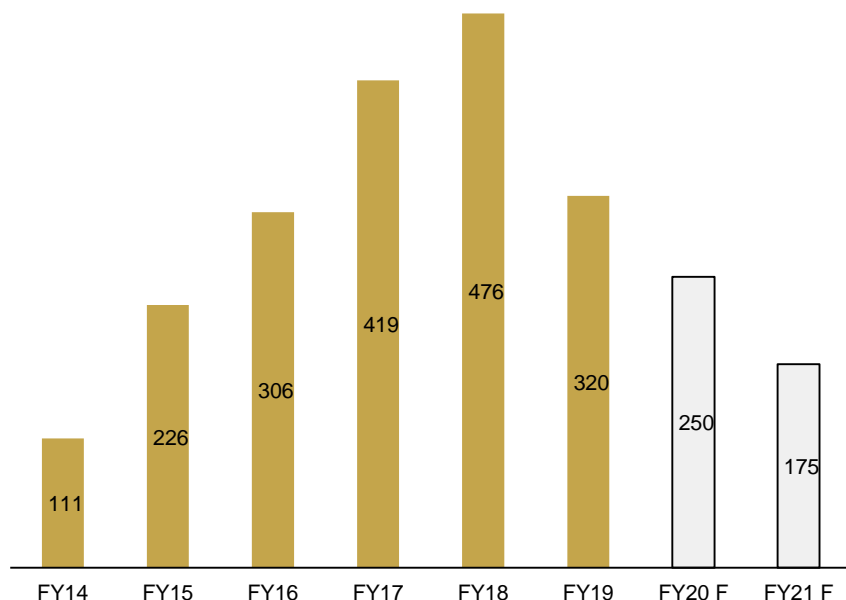
- ◆ Group operating expenses up 0.4% on pcp
- ◆ Includes increased domestic volumes and inflation (\$15m), and higher provisions (short-term performance payments not in pcp and increased VIP debt provisions, together \$13m)
- ◆ Offset by cost out benefits and impact of AASB 16 leases accounting change

CAPITAL EXPENDITURE

GROUP CAPEX REDUCING

- ◆ FY2020 expected capex of ~\$250m includes Sovereign (opening May 2020)
- ◆ FY2021 expected capex of ~\$175m*, below expected FY2021 D&A
- ◆ JV investments enables capex to be lower than wholly-owned structure

Group Capital Expenditure (\$m)



* Excludes any contribution for the Gold Coast Convention and Entertainment Centre in FY21, currently subject to negotiation with the Queensland Government

QWB AND FIRST JV TOWER EQUITY CONTRIBUTIONS COMPLETE 2H CY2020

- ◆ QWB equity contributions to complete 2H CY2020. Remainder capex funded by project level debt
- ◆ Dorsett Hotel and Residences (first Gold Coast JV tower) equity contributions to complete mid CY2020. Remainder capex funded by project level debt. Minimal invested capital in JV towers after sale of residential apartments

QUEEN'S WHARF BRISBANE (SGR 50%)

Project Cost (Total Project)	◆ ~\$2.6bn including ~\$0.2bn Government payments
Equity Funding (SGR share only)	◆ ~\$0.4bn contributed to date, ~\$0.2bn to complete equity funding 2H CY2020
Debt Funding (Total Project)	<ul style="list-style-type: none"> ◆ ~\$1.6bn project level debt ◆ Commitments received on attractive terms ◆ First drawdown expected 2H CY2020

DORSETT HOTEL AND RESIDENCES (SGR 33%)

Project Cost (Total Project)	◆ ~\$370m
Equity Funding (SGR share only)	◆ ~\$25m contributed to date, ~\$12m to complete equity funding mid CY2020
Debt Funding (Total Project)	<ul style="list-style-type: none"> ◆ ~\$260m project level debt ◆ Funding in place, terms per business case ◆ First drawdown expected mid CY2020

PROFIT AND LOSS

\$M	1H FY2020		1H FY2020	
	STATUTORY	fav/(unfav)	NORMALISED ²	fav/(unfav)
Domestic Gaming revenue	862.3	1.7%	862.3	1.7%
International VIP Rebate	154.1	(54.2%)	285.7	2.0%
Non-gaming and other revenue	159.2	6.6%	159.2	6.6%
Gross Revenue ¹	1,175.6	(11.9%)	1,307.2	2.4%
Player rebates and commissions	(121.9)	33.6%	(176.3)	(5.7%)
Net Revenue	1,053.7	(8.4%)	1,130.9	1.9%
Gaming taxes and levies	(273.4)	3.8%	(286.6)	(2.9%)
Operating expenditure	(536.9)	(0.4%)	(536.9)	(0.4%)
EBITDA (before significant items) ³	243.4	(26.5%)	307.4	3.5%
D&A	(101.1)	5.4%	(101.1)	5.4%
EBIT (before significant items)	142.3	(36.6%)	206.3	8.5%
Share of net profit/(loss) of associate	(0.2)	(140.0%)	(0.2)	(140.0%)
Statutory EBIT (before significant items)	142.1	(36.8%)	206.1	8.1%
Net funding costs	(24.5)	(44.1%)	(24.5)	(44.1%)
Tax (before significant items) ⁴	(35.7)	44.1%	(55.2)	(10.6%)
NPAT (before significant items)	81.9	(43.1%)	126.4	2.1%
Significant items (after tax) ⁵	(5.4)	(217.4%)		
Statutory NPAT	76.5	(48.5%)		
Earnings per share (cents)	8.3	(48.8%)		
Total Dividends per share (cents)	10.5	0.0%		

- ◆ Unusually low 0.73% actual win rate drives difference between statutory and normalised results
- ◆ Increased player rebates and commissions largely reflects mix in VIP activity
- ◆ Flat operating expenses largely reflects volume growth, wage inflation, bonus provisions and VIP debt provisions offset by restructure benefits and impact of AASB 16 change
- ◆ Reduced D&A reflects accelerated depreciation in pcp, offset by AASB 16 change
- ◆ Increased funding costs reflects higher average drawn debt levels vs pcp
- ◆ Significant items reflects costs relating to Sydney The Ritz-Carlton tower

Notes:

1. Revenue is shown as the net gaming win, but gross of rebates and commissions paid to players and third parties
2. 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 actual turnover, taxes and revenue share commissions and are before significant items
3. Statutory EBITDA is before equity accounted investments and before significant items
4. Tax before significant items is calculated for actual and normalised purposes based on the statutory effective tax rate paid in the period (1H FY2020 of 30.4%, 1H FY2019 of 28.7%)
5. 1H FY2020 significant items comprise costs relating to The Ritz-Carlton tower proposal in Sydney. 1H FY2019 significant items include gain on disposal of land for first JV tower at The Star Gold Coast offset by restructuring costs

BALANCE SHEET

\$M	DEC 2019	JUN 2019	DEC 2018
ASSETS			
Current Assets			
Cash and cash equivalents	98.0	114.3	109.2
Trade and other receivables	210.8	235.5	173.0
Inventories	18.7	17.5	17.7
Income tax receivable	4.5	-	-
Derivative financial instruments	8.6	7.9	5.5
Other assets	51.7	52.0	48.8
Total current assets	392.3	427.2	354.2
Non current assets			
Property, plant and equipment	2,889.0	2,779.8	2,723.2
Intangible assets	1,862.1	1,861.4	1,857.8
Derivative financial instruments	79.9	82.7	75.5
Investment in associate and joint venture entities	457.4	385.0	321.5
Other assets	41.8	47.6	46.9
Total Non current assets	5,330.2	5,156.5	5,024.9
TOTAL ASSETS	5,722.5	5,583.7	5,379.1
LIABILITIES			
Current liabilities			
Trade and other payables	318.1	340.9	296.3
Interest bearing liabilities	10.8	196.4	16.6
Income tax payable	-	12.2	17.0
Provisions	66.8	99.9	66.3
Derivative financial instruments	6.0	5.6	4.1
Other liabilities	17.6	18.8	20.0
Total current liabilities	419.3	673.8	420.3
Non current liabilities			
Interest bearing liabilities	1,380.7	965.9	954.0
Deferred tax liabilities	171.5	170.7	180.0
Provisions	10.0	16.9	14.8
Derivative financial instruments	7.0	9.6	6.8
Other liabilities	6.3	5.9	7.3
Total non current liabilities	1,575.5	1,169.0	1,162.9
TOTAL LIABILITIES	1,994.8	1,842.8	1,583.2
NET ASSETS	3,727.7	3,740.9	3,795.9
EQUITY			
Share capital	3,062.3	3,063.0	3,063.0
Retained earnings	678.3	693.5	740.4
Reserves	(12.9)	(15.6)	(7.5)
TOTAL EQUITY	3,727.7	3,740.9	3,795.9

Net debt shown as interest bearing liabilities (excluding lease liabilities of \$59m) less cash and cash equivalents less the net impact of derivative financial instruments

- ◆ Capital programs progressed
 - Increased assets (property, plant and equipment), mainly Sydney Sovereign
 - Increased investment in associates and joint venture entities related to QWB and JV towers at Gold Coast
 - Funded by free cash flow generation, partner contributions and debt facilities
- ◆ Reductions in trade receivables and trade payables reflect lower actual VIP revenue
- ◆ Right of use asset included in property, plant and equipment. Offsetting lease liability included in interest bearing liabilities
- ◆ Net debt of \$1,159m (excluding lease liabilities of \$59m), up \$368m vs 31 December 2018, reflecting capital programs and free cash flow impacted by unusually low 0.73% win rate
- ◆ Cash conversion of EBITDA of 88% (86% in1H FY2019) mainly due to restructure payments provided for at June 2019

THE STAR ENTERTAINMENT GROUP

AGENDA

1. OVERVIEW

2. FINANCIALS

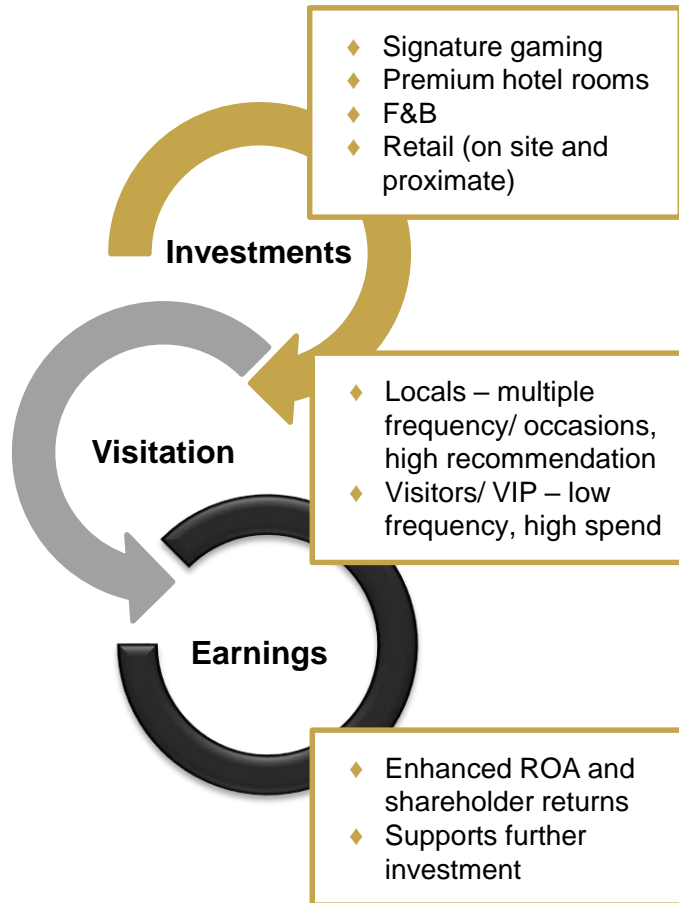
3. PRIORITIES

MATT BEKIER – CEO

4. Q&A

RECAP: DELIVERING ON OUR STRATEGY

OUR STRATEGY



OUR DELIVERY

- 1 Solid domestic earnings growth**
 - ◆ Slots market share gains, consolidation
 - ◆ Gold Coast growth
 - ◆ Restructure cost benefits embedded
- 2 Effective capital project management**
 - ◆ Sydney Sovereign and Oasis
 - ◆ Queen's Wharf Brisbane
 - ◆ Gold Coast JV towers
- 3 Focused on shareholder returns**
 - ◆ Strategic position – privileged assets and partnerships
 - ◆ Regulatory – proactively manage new environment
 - ◆ Operational leadership – Gaming, Marketing, Properties
 - ◆ Cost management – continuous improvement
 - ◆ Capital efficiency – asset recycling
 - ◆ Dividend yield

SYDNEY

WORKS ON TIME, BUDGET

- ◆ Upgraded and expanded Sovereign to open May 2020
- ◆ New Oasis (currently interim Sovereign) to open June 2020
- ◆ Strategies to mitigate impact of new entrant progressing to plan
 - Property – PGRs, MGF, Non-gaming
 - Customer – loyalty, service, CRM
 - People – retention plans



SOVEREIGN

	SOVEREIGN 2018	INTERIM SOVEREIGN	NEW SOVEREIGN
Tables **	63	53	94
Slots – Indoor	94	100	109
Slots – Outdoor	145	135	204
MTGMs	52	10	115

KEY COMPLETION DATES*	
May 2020	◆ New Sovereign opens
June 2020	◆ New Oasis opens
FY2020	◆ Major Services Infrastructure works
FY2022	◆ The Darling hotel refresh

* Subject to planning and other approvals. ** Including Chairmans



SOVEREIGN

GOLD COAST

JV TOWERS PROGRESSED

- ◆ Dorsett Hotel and Residences (first JV tower) on time and budget for FY2022 completion. \$260m project debt funding in place, first draw down mid CY2020
- ◆ Second JV tower presales underway. Construction subject to presales and all other approvals

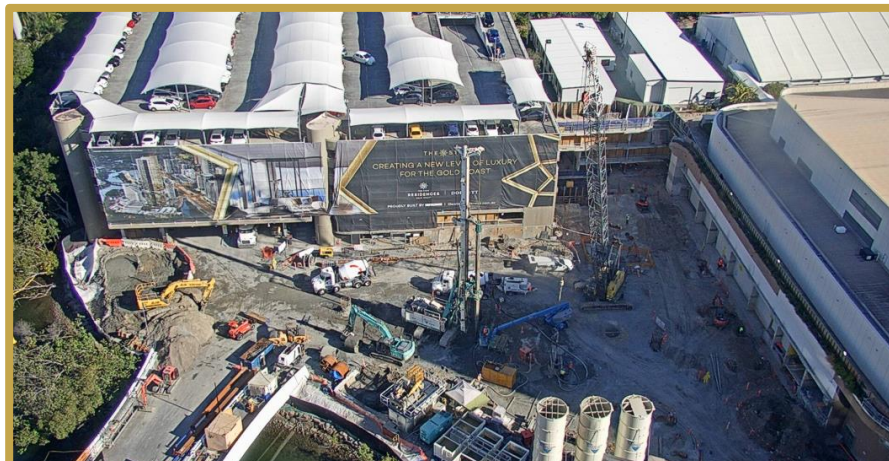
CAPITAL EFFICIENT MASTERPLAN

- ◆ Current and planned growth investments with JV partners
- ◆ Staged approach to deliver up to 5 mixed-use JV towers under Government-approved masterplan
- ◆ Execution subject to satisfactory risk-adjusted returns, market conditions (including presales), regulatory conditions, Board and other approvals
- ◆ Capital works funded by partner contributions, existing and new debt facilities, and free cash flow generation

KEY DATES*

FY2022 ◆ Complete first JV tower, retail and associated facilities

* Subject to planning and other approvals



DORSETT HOTEL AND RESIDENCES (TOWER 1)
AUGUST 2019

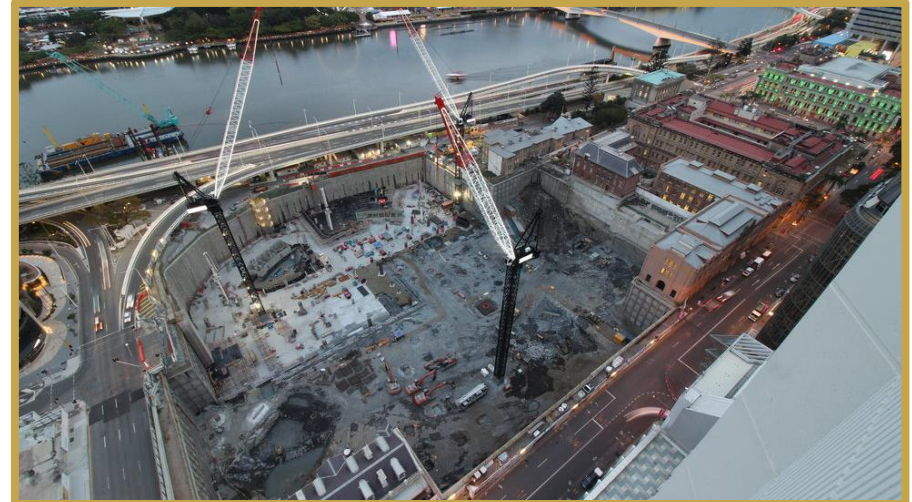


DORSETT HOTEL AND RESIDENCES (TOWER 1)
FEBRUARY 2020

QUEEN'S WHARF BRISBANE

WORKS ON TIME, BUDGET

- ◆ Shell, core and façade underway in line with project timetable and budget
- ◆ ~60% of project costs under lump sum contract terms
- ◆ Further ~15% of project costs under contract expected by mid CY2020
- ◆ Project level debt funding targeting financial close by mid CY2020, first draw down 2H CY2020



AUGUST 2019



FEBRUARY 2020

KEY DATES*

Mid CY2020	◆ Financial close on committed debt funding
	◆ Construction progresses above ground
	◆ Fit-out stage contracted
CY2021	◆ Commence internal fit out of Integrated Resort
Late CY2022	◆ Integrated Resort opening commences
CY2024	◆ Expected opening of repurposed Treasury Building

* Subject to planning and other approvals

QUEEN'S WHARF BRISBANE



QWB IRD FROM SOUTHBANK



VIEW OF SKYDECK AND SOUTHBANK FROM IRD



BRISBANE STEPS



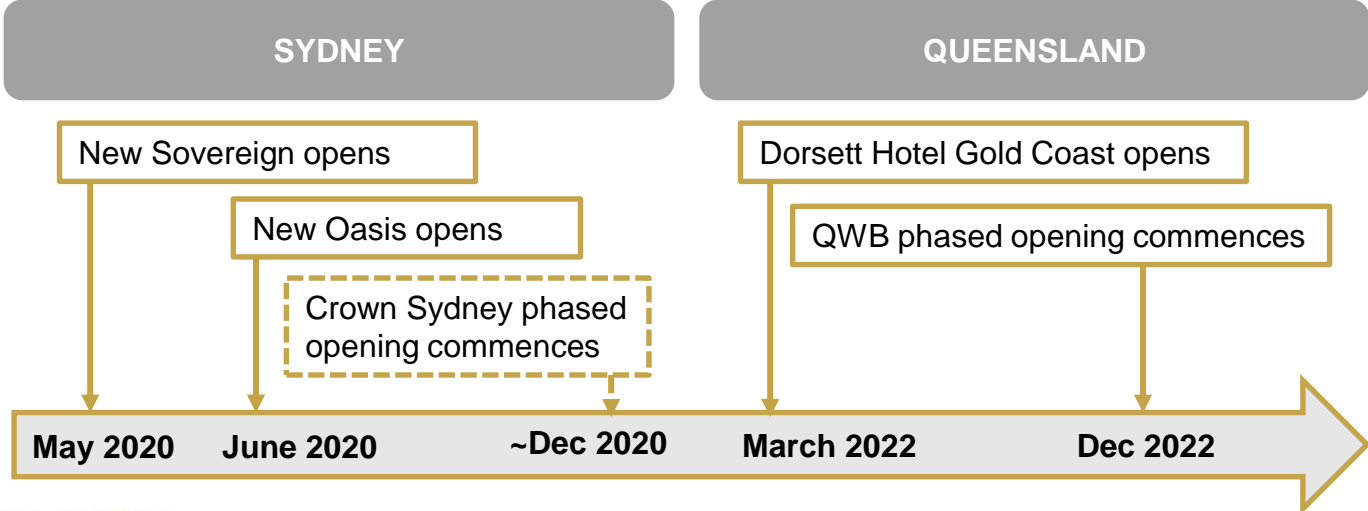
GEORGE & MARGARET STREET VIEW

PRIORITIES

IMPROVE AND DE-RISK RETURNS

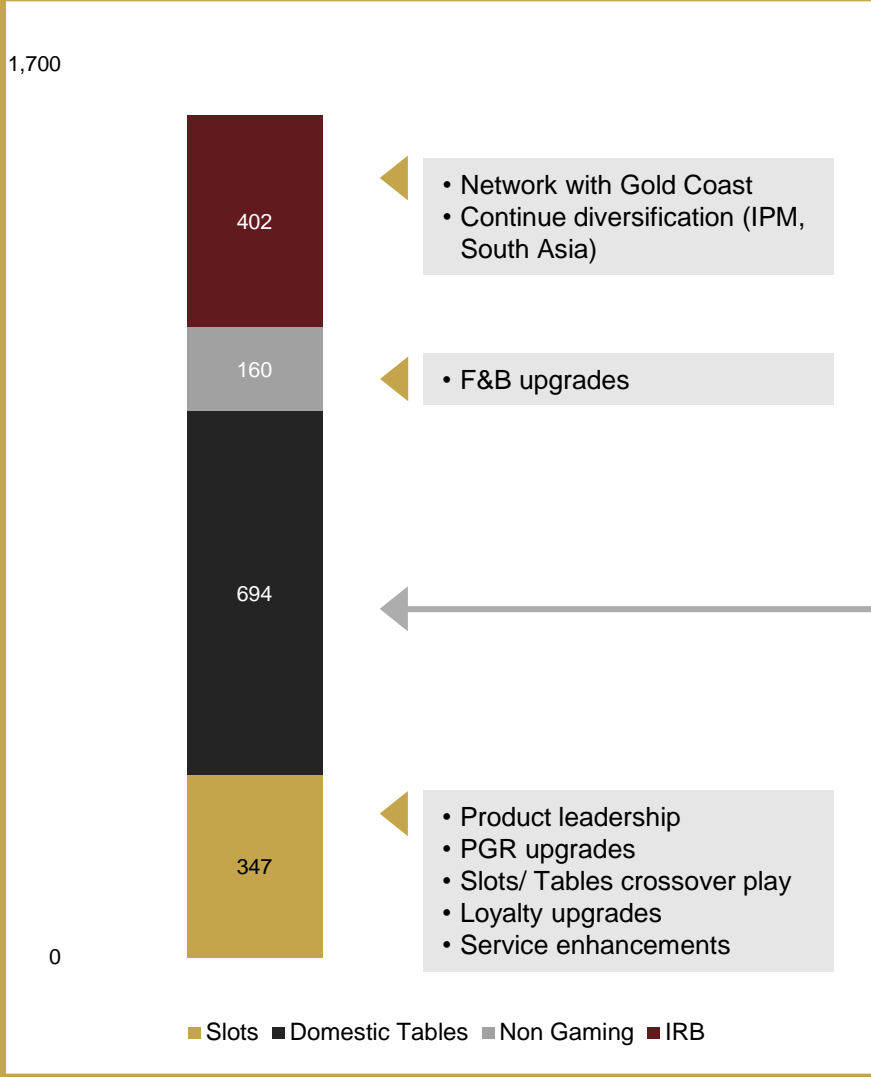
1	Deliver on operating model	<ul style="list-style-type: none"> ◆ Leverage improved capabilities ◆ Retain efficiencies from reset cost base ◆ Focus on Sydney PGR, Group MGF
2	Deliver on investment strategy	<ul style="list-style-type: none"> ◆ Sydney ◆ Gold Coast masterplan ◆ Queen’s Wharf Brisbane ◆ Chow Tai Fook/ Far East Consortium partnership
3	Manage competitive environment	<ul style="list-style-type: none"> ◆ Crown Sydney opening. Fiscal arrangements ◆ Gold Coast casino market structure
4	Execute capital efficient model	<ul style="list-style-type: none"> ◆ Enhance shareholder returns ◆ Potential capital recycling of supporting assets

KEY MILESTONES



PRIORITIES – ADDRESS CROWN SYDNEY

THE STAR SYDNEY REVENUE BREAKDOWN (CY2019)

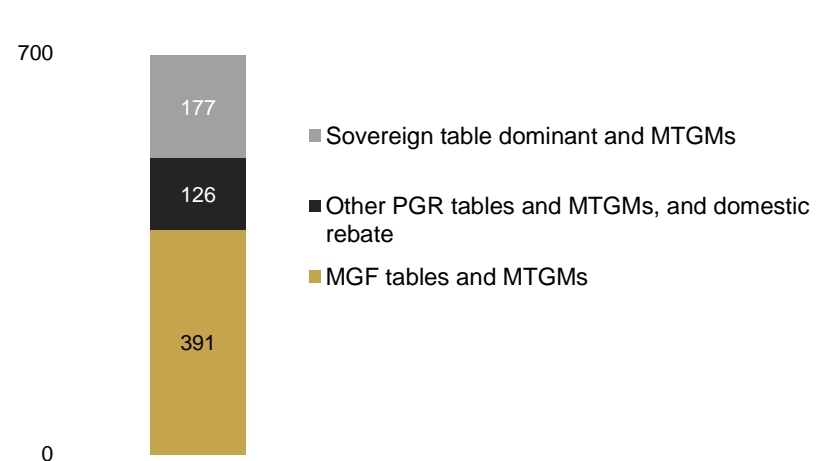


PRIORITY

COMMENTS

1 PGRs	<ul style="list-style-type: none"> ◆ Sovereign opening May 2020 ◆ Oasis opening June 2020
2 Property	<ul style="list-style-type: none"> ◆ Significant upgrades completed ◆ Incremental MGF and F&B upgrades, The Darling refresh ◆ High value/ high frequency players utilise broader property
3 Sales and Marketing	<ul style="list-style-type: none"> ◆ Loyalty upgrades ◆ Local players details and behaviours (including tables and slots crossover play)
4 Service levels	<ul style="list-style-type: none"> ◆ PGR service upgrades
5 People	<ul style="list-style-type: none"> ◆ Retention plans in place

Domestic Tables Breakdown (CY2019)



THE STAR ENTERTAINMENT GROUP

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THE STAR ENTERTAINMENT GROUP

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APPENDIX

STATUTORY RESULTS

\$M	SYDNEY				QUEENSLAND				TOTAL			
	1H FY20	1H FY19	fav/(unfav)	fav/(unfav)	1H FY20	1H FY19	fav/(unfav)	fav/(unfav)	1H FY20	1H FY19	fav/(unfav)	fav/(unfav)
Slots	180.1	180.5	(0.4)	(0.2%)	176.1	169.7	6.4	3.8%	356.2	350.2	6.0	1.7%
Domestic Tables	358.8	359.7	(0.9)	(0.3%)	147.3	137.9	9.4	6.8%	506.1	497.6	8.5	1.7%
Non-gaming	84.8	79.2	5.6	7.1%	67.6	64.1	3.5	5.5%	152.4	143.3	9.1	6.4%
Total Domestic	623.7	619.4	4.3	0.7%	391.0	371.7	19.3	5.2%	1,014.7	991.1	23.6	2.4%
International VIP Rebate	139.5	179.2	(39.7)	(22.2%)	14.6	157.4	(142.8)	(90.7%)	154.1	336.6	(182.5)	(54.2%)
Other revenue	4.8	3.9	0.9	23.1%	2.0	2.1	(0.1)	(4.8%)	6.8	6.0	0.8	13.3%
Total Gross Revenue	768.0	802.5	(34.5)	(4.3%)	407.6	531.2	(123.6)	(23.3%)	1,175.6	1,333.7	(158.1)	(11.9%)
Player rebates and commissions	(76.1)	(125.0)	48.9	39.1%	(45.8)	(58.6)	12.8	21.8%	(121.9)	(183.6)	61.7	33.6%
Net Revenue	691.9	677.5	14.4	2.1%	361.8	472.6	(110.8)	(23.4%)	1,053.7	1,150.1	(96.4)	(8.4%)
Gaming taxes and levies	(185.1)	(185.5)	0.4	0.2%	(88.3)	(98.7)	10.4	10.5%	(273.4)	(284.2)	10.8	3.8%
Operating expenses	(320.0)	(321.1)	1.1	0.3%	(216.9)	(213.6)	(3.3)	(1.5%)	(536.9)	(534.7)	(2.2)	(0.4%)
EBITDA (before significant items)	186.8	170.9	15.9	9.3%	56.6	160.3	(103.7)	(64.7%)	243.4	331.2	(87.8)	(26.5%)
D&A	(58.8)	(65.8)	7.0	10.6%	(42.3)	(41.1)	(1.2)	(2.9%)	(101.1)	(106.9)	5.8	5.4%
EBIT (before significant items)	128.0	105.1	22.9	21.8%	14.3	119.2	(104.9)	(88.0%)	142.3	224.3	(82.0)	(36.6%)
Share of net profit/(loss) of associate									(0.2)	0.5	(0.7)	(140.0%)
Significant Items									(7.7)	0.5	(8.2)	(1,640.0%)
Net funding costs									(24.5)	(17.0)	(7.5)	(44.1%)
Tax									(33.4)	(59.8)	26.4	44.1%
Statutory NPAT									76.5	148.5	(72.0)	(48.5%)
EBITDA/Revenue %	24.3%	21.3%	3.0%		13.9%	30.2%	(16.3%)		20.7%	24.8%	(4.1%)	
International VIP Rebate Front Money \$m	1,561.1	1,509.3	51.8	3.4%	390.1	622.0	(231.9)	(37.3%)	1,951.2	2,131.3	(180.1)	(8.5%)
International VIP Rebate Turnover \$m	12,020.6	13,958.8	(1,938.2)	(13.8%)	9,130.6	6,789.8	2,340.8	34.5%	21,151.2	20,748.6	402.6	2.0%
International VIP Rebate Win rate	1.16%	1.28%			0.16%	2.32%			0.73%	1.62%		

Net Revenue is after player rebates and commissions. Complimentary revenue is included within domestic gaming revenue. International VIP Rebate includes International Premium Mass. Refer to Note A4 of the Financial Report for a reconciliation of significant items.

APPENDIX

NORMALISED RESULTS

\$M	SYDNEY				QUEENSLAND				TOTAL			
	1H FY20	1H FY19	fav/(unfav)	fav/(unfav)	1H FY20	1H FY19	fav/(unfav)	fav/(unfav)	1H FY20	1H FY19	fav/(unfav)	fav/(unfav)
Slots	180.1	180.5	(0.4)	(0.2%)	176.1	169.7	6.4	3.8%	356.2	350.2	6.0	1.7%
Domestic Tables	358.8	359.7	(0.9)	(0.3%)	147.3	137.9	9.4	6.8%	506.1	497.6	8.5	1.7%
Non-gaming	84.8	79.2	5.6	7.1%	67.6	64.1	3.5	5.5%	152.4	143.3	9.1	6.4%
Total Domestic	623.7	619.4	4.3	0.7%	391.0	371.7	19.3	5.2%	1,014.7	991.1	23.6	2.4%
International VIP Rebate	162.4	188.3	(25.9)	(13.8%)	123.3	91.7	31.6	34.5%	285.7	280.0	5.7	2.0%
Other revenue	4.8	3.9	0.9	23.1%	2.0	2.1	(0.1)	(4.8%)	6.8	6.0	0.8	13.3%
Total Gross Revenue	790.9	811.6	(20.7)	(2.6%)	516.3	465.5	50.8	10.9%	1,307.2	1,277.1	30.1	2.4%
Player rebates and commissions	(92.4)	(113.8)	21.4	18.8%	(83.9)	(53.0)	(30.9)	(58.3%)	(176.3)	(166.8)	(9.5)	(5.7%)
Net Revenue	698.5	697.8	0.7	0.1%	432.4	412.5	19.9	4.8%	1,130.9	1,110.3	20.6	1.9%
Gaming taxes and levies	(187.5)	(186.4)	(1.1)	(0.6%)	(99.1)	(92.1)	(7.0)	(7.6%)	(286.6)	(278.5)	(8.1)	(2.9%)
Operating expenses	(320.0)	(321.1)	1.1	0.3%	(216.9)	(213.6)	(3.3)	(1.5%)	(536.9)	(534.7)	(2.2)	(0.4%)
Normalised EBITDA	191.0	190.3	0.7	0.4%	116.4	106.8	9.6	9.0%	307.4	297.1	10.3	3.5%
D&A	(58.8)	(65.8)	7.0	10.6%	(42.3)	(41.1)	(1.2)	(2.9%)	(101.1)	(106.9)	5.8	5.4%
Normalised EBIT	132.2	124.5	7.7	6.2%	74.1	65.7	8.4	12.8%	206.3	190.2	16.1	8.5%
Share of net profit/(loss) of associate									(0.2)	0.5	(0.7)	(140.0%)
Normalised EBIT after share of net profit of associate									206.1	190.7	15.4	8.1%
Net funding costs									(24.5)	(17.0)	(7.5)	(44.1%)
Tax									(55.2)	(49.9)	(5.3)	(10.6%)
Normalised NPAT									126.4	123.8	2.6	2.1%
EBITDA/Revenue %	24.1%	23.4%	0.7%		22.5%	23.0%	(0.5%)		23.5%	23.3%	0.2%	
International VIP Rebate Front Money \$m	1,561.1	1,509.3	51.8	3.4%	390.1	622.0	(231.9)	(37.3%)	1,951.2	2,131.3	(180.1)	(8.5%)
International VIP Rebate Turnover \$m	12,020.6	13,958.8	(1,938.2)	(13.8%)	9,130.6	6,789.8	2,340.8	34.5%	21,151.2	20,748.6	402.6	2.0%
International VIP Rebate Win rate	1.35%	1.35%			1.35%	1.35%			1.35%	1.35%		

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 actual turnover, taxes and revenue share commissions and are before significant items.

Net Revenue is after player rebates and commissions. Complimentary revenue is included within domestic gaming revenue. International VIP Rebate includes International Premium Mass. Refer to Note A4 of the Financial Report for a reconciliation of significant items.

APPENDIX

AASB 16 LEASES

- ◆ The Group adopted the new AASB 16 (Leases) accounting standard from 1 July 2019, summarised below. Note E of the Financial Report contains further details.
- ◆ The effect of adopting AASB 16 on the balance sheet is as follows:

\$M	30 JUNE 2019	ADOPTION ADJUSTMENT	1 JULY 2019
Property, plant & equipment	2,779.8	60.3	2,840.1
Other assets	99.6	(8.9)	90.7
Interest bearing liabilities	(1,162.3)	(58.4)	(1,220.7)
Provisions	(116.8)	7.0	(109.8)

- ◆ The impact of adopting AASB 16 on the income statement for 1H FY2020 is as follows:

\$M	NORMALISED (PRIOR TO AASB 16)	TRANSITION ADJUSTMENT	NORMALISED (UNDER AASB 16)
Total Gross Revenue	1,307.2		1,307.2
Player rebates and commissions	(176.3)		(176.3)
Net Revenue	1,130.9		1,130.9
Gaming taxes and levies	(286.6)		(286.6)
Operating expenses	(542.2)	5.3	(536.9)
Normalised EBITDA	302.1		307.4
D&A	(97.1)	(4.0)	(101.1)
Normalised EBIT	205.0		206.3
Share of net profit/(loss) of associate	(0.2)		(0.2)
Normalised EBIT after share of net profit of associate	204.8		206.1
Net funding costs	(22.5)	(2.0)	(24.5)
Tax	(55.4)	0.2	(55.2)
Normalised NPAT	126.9		126.4

APPENDIX

OPERATIONAL METRICS

OPERATIONAL METRICS	SYDNEY		QUEENSLAND	
	1H FY2020	1H FY2019	1H FY2020	1H FY2019
Slots				
Revenue (\$m)	180	180	176	170
NMR/machine/day	654	659	314	303
MTGMs				
Revenue (\$m)	51	52	21	21
NMR/machine/day	456	494	305	309
Domestic Tables (excl. MTGMs)				
Revenue (\$m)	308	307	126	117
Hold %	19%	19%	20%	19%
VIP Rebate (Actual)				
Front Money (\$m)	1,561	1,509	390	622
Turnover (\$m)	12,021	13,959	9,131	6,790
Turns	7.7	9.2	23.4	10.9
Win Rate	1.16%	1.28%	0.16%	2.32%
Hotels				
Occupancy	95%	94%	84%	81%
Cash Revenue (\$m)	17	16	17	16
Average Cash Rate	349	337	256	249
Restaurants				
Cash Revenue (\$m)	28	24	25	24
Gross Revenue (\$m)	41	36	39	36
Bars				
Cash Revenue (\$m)	21	22	14	14
Gross Revenue (\$m)	53	53	36	32
Statutory EBITDA/Revenue %	24.3%	21.3%	13.9%	30.2%
Normalised EBITDA/Revenue %	24.1%	23.4%	22.5%	23.0%
Employee Costs/Statutory Revenue %	21.2%	22.1%	27.5%	21.7%
Employee Costs/Normalised Revenue %	20.5%	21.8%	21.7%	24.8%

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 actual turnover, taxes and revenue share commissions and are before significant items.

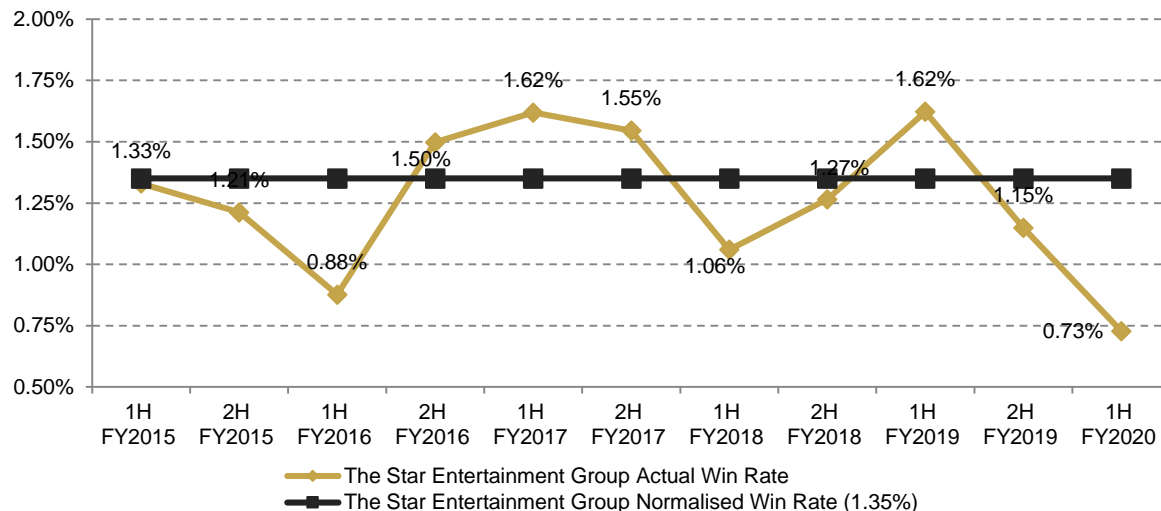
APPENDIX

INTERNATIONAL VIP REBATE NORMALISATION

ACTUAL WIN RATE VS THEORETICAL

- ◆ 1H FY2020 win rate is unusually low
- ◆ 1H FY2020 actual win rate of 0.73% includes International Premium Mass (0.69% excluding International Premium Mass)
- ◆ Normalised win rate of 1.35% is in line with the Group's long-term win rate experience and consistent with the Australia and New Zealand market practice

HISTORICAL ACTUAL WIN RATE (%)



RECONCILIATION WITH ACTUAL

1H FY2020 RESULTS COMPARISON (\$M)	1H FY2020	REVENUE NORMALISATION	REVENUE SHARE COMMISSION NORMALISATION	1H FY2020 NORM @1.35%
Total Domestic	1,014.7	-	-	1,014.7
International VIP Rebate (Gross)	154.1	131.6	-	285.7
Other revenue	6.8	-	-	6.8
Total Gross Revenue	1,175.6	131.6	-	1,307.2
Player rebates and commissions	(121.9)	-	(54.4)	(176.3)
Net Revenue	1,053.7	131.6	(54.4)	1,130.9
Gaming taxes and levies	(273.4)	(13.2)	-	(286.6)
Operating expenses	(536.9)	-	-	(536.9)
EBITDA (before significant items)	243.4	118.4	(54.4)	307.4
D&A	(101.1)	-	-	(101.1)
EBIT (before significant items)	142.3	118.4	(54.4)	206.3

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 actual turnover, taxes and revenue share commissions and are before significant items. Refer to Note A4 of the Financial Report for a reconciliation of significant items.

Net Revenue is after player rebates and commissions. Complimentary revenue is included within domestic gaming revenue. International VIP Rebate includes International Premium Mass.

APPENDIX

INTERNATIONAL VIP REBATE RECEIVABLES

INTERNATIONAL VIP REBATE BUSINESS RECEIVABLES (BEFORE PROVISIONS)	0 - 30 DAYS	30 DAYS - 1 YEAR	1 - 3 YEARS	TOTAL
December 2019 (\$m)				
Not yet due	113.0	-	-	113.0
Past due not impaired	-	40.9	27.6	68.5
Considered impaired	2.3	7.4	3.8	13.5
Total	115.3	48.3	31.4	195.0
June 2019 (\$m)				
Not yet due	145.4	-	-	145.4
Past due not impaired	-	44.5	10.2	54.7
Considered impaired	2.8	1.3	7.2	11.3
Total	148.2	45.8	17.4	211.4
December 2018 (\$m)				
Not yet due	53.2	-	-	53.2
Past due not impaired	6.2	62.4	7.6	76.2
Considered impaired	1.4	8.2	7.1	16.7
Total	60.8	70.6	14.7	146.1

Excludes non-gaming debtors

- ◆ 31 December 2019 past due not impaired receivables down on 31 December 2018
 - 30 days to 1 year down
 - 1 to 3 years up on pcp reflecting a small number of players

APPENDIX

CASH CONVERSION AND FUNDING

CASH CONVERSION

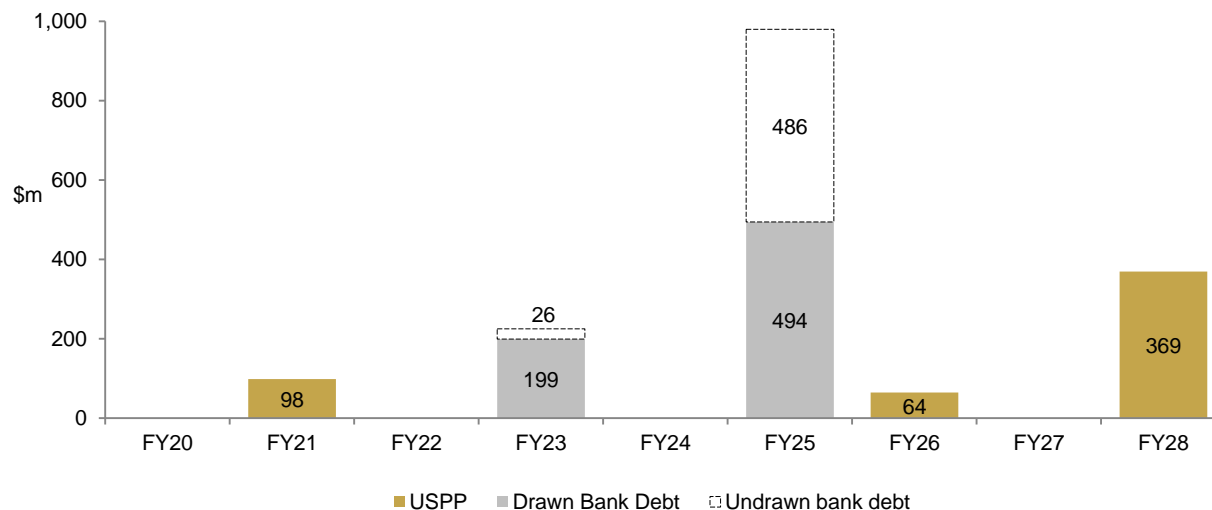
CATEGORY	DEC-19	DEC-18
\$M		
Cash flows from operating activities before interest and income tax		
Net cash receipts from customers (inclusive of GST)	1,063.9	1,153.0
Payments to suppliers and employees (inclusive of GST)	(598.6)	(600.0)
Payment of government levies, gaming taxes and GST	(250.5)	(268.8)
Net cash inflows from operating activities before interest and income tax	214.8	284.2
Profit before net finance costs and income tax*	134.4	225.3
Add back depreciation and amortisation and impairment	108.8	106.9
EBITDA*	243.2	332.2
Cash conversion	88%	86%

FUNDING

As at 31 December 2019:

- ◆ \$1.7bn total facilities
- ◆ 4.8 years weighted average debt maturity of committed debt facilities
- ◆ \$0.6bn total available cash and facilities

DEBT MATURITY PROFILE AT 31 DECEMBER 2019 (\$M)



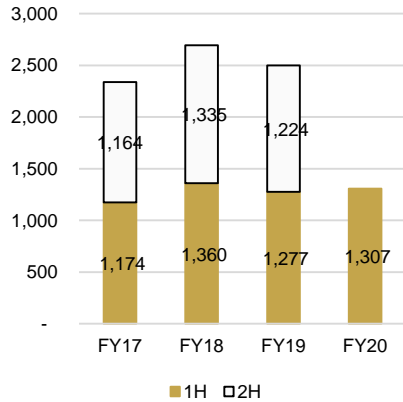
* Including share of net (loss)/ profit of associate and significant items
 Net Revenue is after player rebates and commissions. Significant items in 1H FY2020 include impairment expense.

APPENDIX

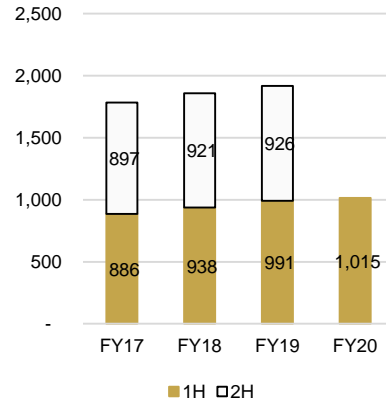
KEY FINANCIAL METRICS

REVENUE

Normalised Gross Revenue (\$m)

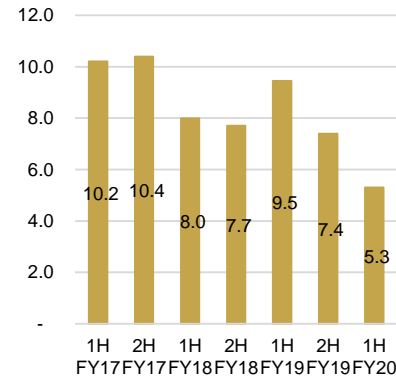


Domestic Revenue (\$m)

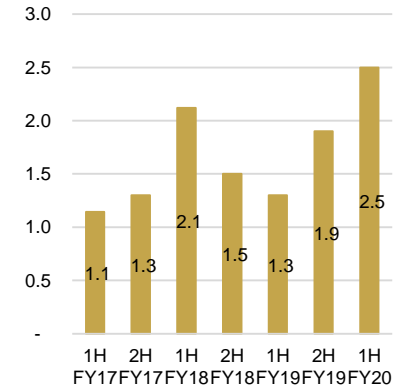


GEARING

Interest Cover (EBIT/ Net Interest Expense) (times)

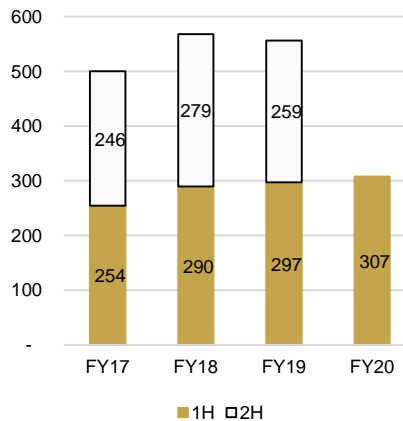


Gearing (Net Debt/ Statutory EBITDA) (times)

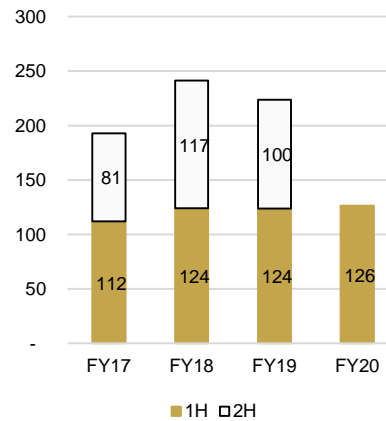


EARNINGS

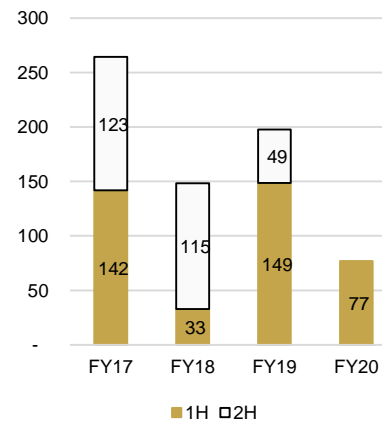
EBITDA - Normalised (\$m)



NPAT - Normalised (\$m)

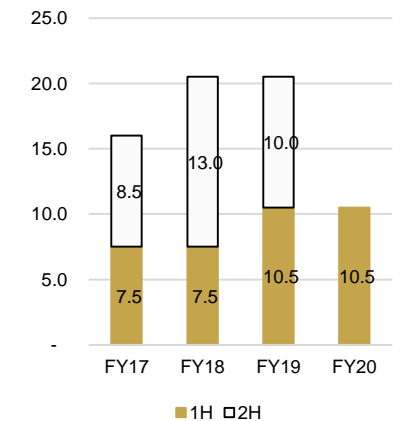


NPAT - Statutory (\$m)



DIVIDEND

Dividends per Share (cents)



Note: EBIT/ Net Interest Expense ratio and Gearing based on 12 month trailing statutory. Normalised results are adjusted using an average win rate of 1.35% on actual turnover, taxes and revenue share commissions and are before significant items.

APPENDIX

KEY SUSTAINABILITY METRICS

GLOBAL LEADER

Dow Jones
Sustainability Indices
In Collaboration with RobecoSAM

Casino and Gaming Category, 2016, 2017, 2018, 2019

ENVIRONMENTAL



25% of energy from **renewable sources**



7.5m pa plastic straws **diverted from landfill**



12,600 kL pa **water saved** from waterless woks



#1 in environmental and energy practice, Sydney, AHA 2018



Net zero carbon emissions by 2030 for wholly owned and operated assets
30% reduction by 2023 in carbon emissions and water consumption intensity



Founding member of City of Sydney **Sustainable Destination Partnership** and signatory to **Single-Use Plastics Reduction Pledge**

SOCIAL AND COMMUNITY



\$470m Government taxes and levies paid in 2019



29 tons of food (88,000 meals) **donated to OzHarvest**



28 tons of linen, towels and bathrobes **donated to charities**

EMPLOYEES



#2 in Australia (#25 globally), Refinitiv 2019 **Diversity and Inclusion Index**



>100 apprentice chefs enrolled at **The Star Culinary Institute**



Silver Employer Australian **Workplace Equality Index**

APPENDIX

GLOSSARY

TERM	DEFINITION
CAGR	Compound Annual Growth Rate
Capital expenditure (capex)	Unless otherwise stated, capital expenditure is presented on an accruals basis and excludes investments in associates and equity acquisitions
D&A	Depreciation and Amortisation
Domestic Tables	Domestic Tables includes main gaming floor table games, private gaming room table games, domestic rebate table games
EGM	Electronic gaming machine – includes slots and MTGMs
F&B	Restaurants and bars
International Premium Mass (IPM)	International loyalty program business (non-commission)
JV	Joint venture
MGF	Main gaming floor
MTGM	Multi-terminal gaming machine or electronic table game
NMR	Net revenue per machine
Normalised/ normalisation	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% of actual turnover, taxes and commissions
pcp	Prior comparable period
PGR	Private gaming room
QWB	Queen's Wharf Brisbane
Significant items	Items of income or expense which are, either individually or in aggregate, material to The Star Entertainment Group and: <ul style="list-style-type: none"> ◆ Outside the ordinary course of business (e.g. the cost of significant reorganisations or restructuring); or ◆ Part of the ordinary activities of the business but unusual due to their size and nature (e.g. impairment of assets)
USPP	US Private Placement debt
VIP	International VIP Rebate business



THE STAR

ENTERTAINMENT
GROUP