



THE STAR

ASX Announcement

20 August 2020

FULL YEAR RESULTS PRESENTATION

Attached is the presentation regarding the financial results of The Star Entertainment Group Limited (**The Star Entertainment Group**) for the year ended 30 June 2020, 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 full year results.

Authorised by:

The Board of Directors

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THE STAR

ENTERTAINMENT
GROUP

THE STAR ENTERTAINMENT GROUP

FY2020 RESULTS PRESENTATION

THURSDAY
20 AUGUST
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 full year ended 30 June 2020 (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 FY2021 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 EBITDA and Normalised EBIT 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

STRONG PERFORMANCE PRE-COVID19

- ◆ Strong performance July 2019 to February 2020 vs pcp:
 - Normalised Group revenue up 7.5%, EBITDA up 12.1%, NPAT up 15.6%
 - Domestic EBITDA up 8.3% with margin expansion

SUBSTANTIAL COVID19 ACTIONS

- ◆ Actions focused on controllable levers
 - Staff – communications, safety, financial support, well-being
 - Customers – communications, safety
 - Financials – new funding, debt waivers, expense reductions, interim dividend underwritten, business interruption insurance claim

COST MANAGEMENT, ASSET RECYCLING

- ◆ VIP, property development and IT restructured July 2020, ~\$10m operating cost benefit per annum
- ◆ Full cost base under review, implementation 1H FY2021
- ◆ Asset recycling – Sydney carpark, VIP assets (shift to IPM)

KEY MILESTONES ATTAINED

- ◆ Sydney – new gaming tax agreement and casino EGM exclusivity with compensation regime to FY2041. Long-term development potential progressed
- ◆ Gold Coast – termination of second casino licence process, no additional investments required
- ◆ QWB – \$1.6bn project funding executed on terms agreed pre-COVID19

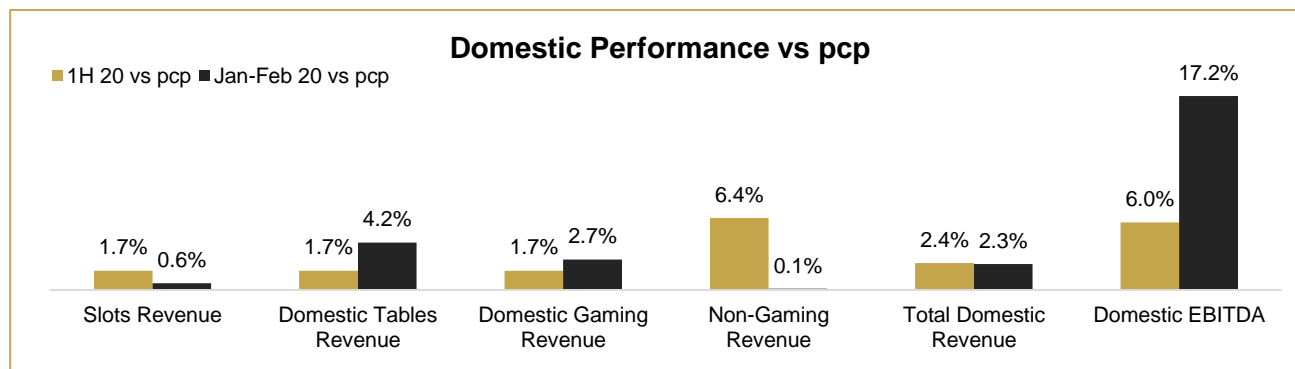
DIVIDEND

- ◆ No final FY2020 dividend
- ◆ Condition for June 2020 debt covenant waiver – no cash dividend until gearing (net debt/trailing 12-month statutory EBITDA) below 2.5 times

HIGHLIGHTS

STRONG DOMESTIC RESULT PRE-COVID19

- ◆ Trends from 1H FY2020 continued into Jan-Feb 2020 (including early COVID19 effects)
- ◆ Domestic EBITDA up 8.3% on 2.4% revenue growth (Jul 19-Feb 20 vs pcp)
- ◆ Sydney and Queensland EBITDA margin expansion (Jul 19-Feb 20 vs pcp)



VIP DIVERSIFICATION CONTINUED, LOW WIN RATE

- ◆ Continued mix shift to IPM
- ◆ IPM front money up 52.8%, VIP ex IPM down 9.2% (Jul 19-Feb 20 vs pcp)
- ◆ Unusually low 0.69% actual win rate impacted results (Jul 19 to Feb 20)

	NORMALISED				STATUTORY			
	Jul 19 to Feb 20		FY 2020		Jul 19 to Feb 20		FY 2020	
	\$m	vs pcp	\$m	vs pcp	\$m	vs pcp	\$m	vs pcp
Gross Revenue	1,818	7.5%	1,973	(21.1%)	1,586	(7.6%)	1,749	(30.4%)
Domestic	1,338	2.4%	1,454	(24.2%)	1,338	2.4%	1,454	(24.2%)
VIP	472	25.3%	509	(11.1%)	240	(40.5%)	285	(51.3%)
Net Revenue	1,527	4.2%	1,657	(23.3%)	1,347	(10.1%)	1,487	(31.1%)
EBITDA	421	12.1%	430	(22.8%)	264	(35.0%)	282	(49.0%)
EBIT	285	20.3%	225	(36.0%)	128	(52.1%)	77	(77.8%)
NPAT	176	15.6%	121	(46.0%)	62	(64.6%)	(95)	(147.8%)

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 and EBIT 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 A7 of the Financial Report for a reconciliation of significant items.

HIGHLIGHTS

STAGED REOPENING

FY2020

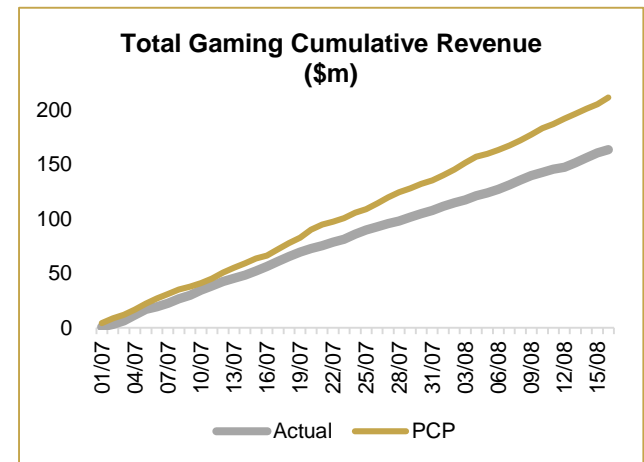
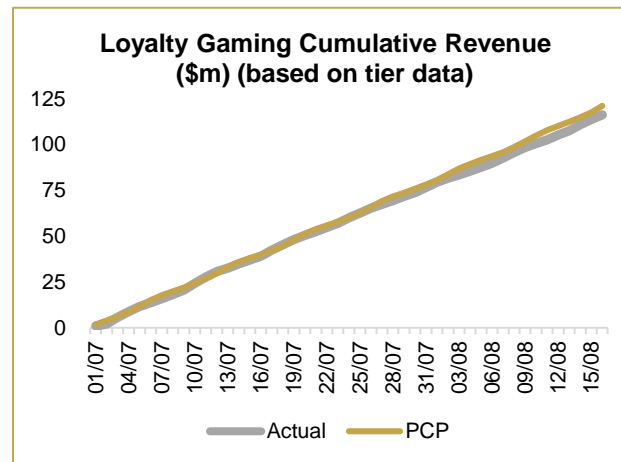
- ◆ All properties closed from 23 March 2020
- ◆ Sydney highly restricted reopening 1 June 2020. Initially max 500 patrons, increased to 900

FY2021

- ◆ Sydney restrictions eased 1 July 2020, tightened 24 July 2020 (max 300 patrons per area)
- ◆ Queensland reopened from 3 July 2020

EARLY 1H FY2021 TRADING

- ◆ July 2020 domestic gaming revenues ~80% of pcp (total domestic revenue ~75% of pcp) on reduced capacity
 - Loyalty gaming revenue comparable to pcp, strong Sydney Sovereign trading
 - Domestic EBITDA margins comparable to pcp (excluding JobKeeper benefit)
- ◆ July 2020 VIP volumes ~5% of pcp
- ◆ July 2020 materially cash flow positive after investments, enabling debt reduction
- ◆ Over 1 to 17 August 2020, Queensland domestic trends similar to July, with Sydney impacted by additional spatial distancing restrictions (primarily MGF)



COVID19 RESPONSE

OUR PEOPLE

- ◆ 2 weeks pandemic leave (\$18m)
- ◆ “Star Offers Support” financial hardship payments to over 600 staff (\$3m)
- ◆ Enhanced mental and physical well-being communications and programs
- ◆ COVID-Safe practices incorporated into existing workplace health and safety policies, mandatory training

OUR CUSTOMERS

- ◆ Multi-channel, multi-language communications around COVID-Safe visitation
- ◆ COVID-Safe property policies – spatial distancing, visitation only if well, enhanced cleaning, PPE
- ◆ Access restricted temporarily to members to manage demand, traffic

FINANCIAL LEVERS

Funding	<ul style="list-style-type: none"> ◆ Secured \$200m additional liquidity ◆ Secured June 2020 covenant waivers (banks, USPP) ◆ Completed QWB funding on terms agreed pre-COVID19
Operating expenses	<ul style="list-style-type: none"> ◆ Reduced to ~\$10m per month during closure ◆ ~8,500 of ~9,000 employees stood down
Capital expenditure	◆ FY2020 reduced, FY2021 guidance reduced
Dividend	◆ 1H FY2020 dividend deferred and underwritten
Insurance	◆ Business interruption claim lodged
Government	◆ Early applicant for JobKeeper scheme
Board/ Management	◆ Substantial remuneration reductions in 4Q FY2020

SYDNEY

SOLID DOMESTIC GROWTH PRE-COVID19

- ◆ Domestic EBITDA up 5.3% on 0.7% revenue growth (Jul 19-Feb 20 on pcp)
- ◆ Domestic gaming revenue flat on strong pcp (up 7.5% in July 18-Feb 19 on pcp)
- ◆ Non-gaming revenue up 4.6%. Hotel cash revenue up 5.4% (higher occupancy and rate). F&B cash revenue up 4.2%

VIP STABLE PRE-COVID19

- ◆ VIP performance broadly flat (Jul 19-Feb 20 on pcp). Turnover down 1.3% (front money down 5.1%, turns of 9.2x vs 8.8x in pcp). Actual win rate 1.22% vs 1.02% in pcp
- ◆ Diversification towards IPM continued – visitors up 22.7%, turnover up 55.4%

NEW SOVEREIGN OPENED

- ◆ Enlarged and expanded Sovereign opened 3 July 2020, delivered on time and on budget
- ◆ Existing Oasis and interim Sovereign remain open to maximise PGR floor space under spatial distancing requirements

	NORMALISED				STATUTORY			
	Jul 19 to Feb 20		FY 2020		Jul 19 to Feb 20		FY 2020	
	\$m	vs pcp	\$m	vs pcp	\$m	vs pcp	\$m	vs pcp
Gross Revenue	1,076	0.3%	1,183	(27.5%)	1,051	3.9%	1,170	(25.4%)
Domestic	819	0.7%	901	(24.7%)	819	0.7%	901	(24.7%)
VIP	251	(1.3%)	275	(35.9%)	226	17.4%	262	(28.2%)
EBITDA	255	6.3%	277	(24.6%)	247	21.4%	284	(7.6%)
EBIT	177	13.6%	159	(34.6%)	168	41.7%	167	(9.5%)

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QUEENSLAND

STRONG DOMESTIC GROWTH PRE-COVID19

- ◆ Quality broad-based growth – total domestic revenue up 5.2% (Jul 19-Feb 20 vs pcp)
 - Slots up 4.2% (PGR up 14.1%)
 - Tables up 6.2% (PGR up 11.9%)
 - Non-Gaming up 5.4%
- ◆ Domestic EBITDA up 13.9% (Jul 19-Feb 20 vs pcp)
 - Gold Coast investments supporting growth, domestic EBITDA up 27.0%
 - Brisbane EBITDA up 2.3%

STRONG VIP TURNOVER GROWTH PRE-COVID19

- ◆ Turnover up 80.3%, driven by small number of very large players (Jul 19-Feb 20 vs pcp)
- ◆ Unusually low 0.09% actual win rate (2.33% in pcp) (Jul 19-Feb 20 vs pcp)

DEVELOPMENTS ON TIME, ON BUDGET

- ◆ Construction at QWB and Dorsett Hotel and Residence unaffected by COVID19
- ◆ QWB debt funding completed, construction costs under lump sum contracts increased to ~75%

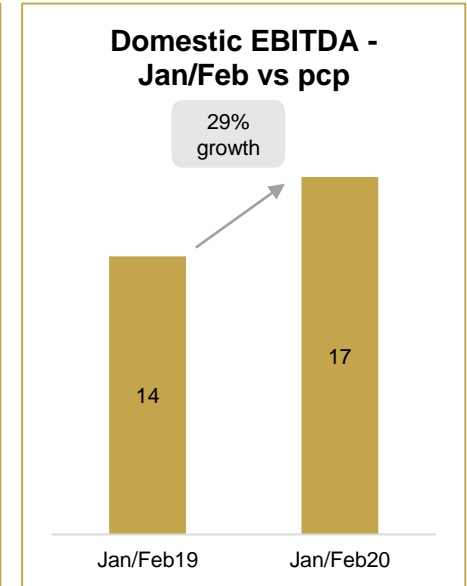
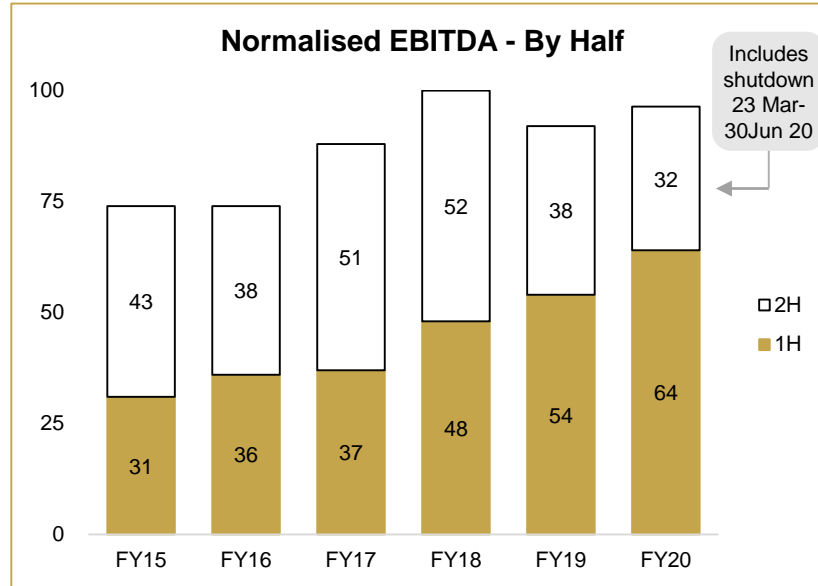
	NORMALISED				STATUTORY			
	Jul 19 to Feb 20		FY 2020		Jul 19 to Feb 20		FY 2020	
	\$m	vs pcp	\$m	vs pcp	\$m	vs pcp	\$m	vs pcp
Gross Revenue	742	20.2%	790	(9.1%)	535	(24.2%)	579	(38.8%)
Domestic	518	5.2%	553	(23.3%)	518	5.2%	553	(23.3%)
VIP	221	80.3%	235	62.0%	14	(93.2%)	24	(89.3%)
EBITDA	166	22.3%	153	(19.2%)	17	(91.6%)	(2)	(100.9%)
EBIT	109	33.1%	65	(39.0%)	(40)	(127.0%)	(90)	(155.0%)

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GOLD COAST

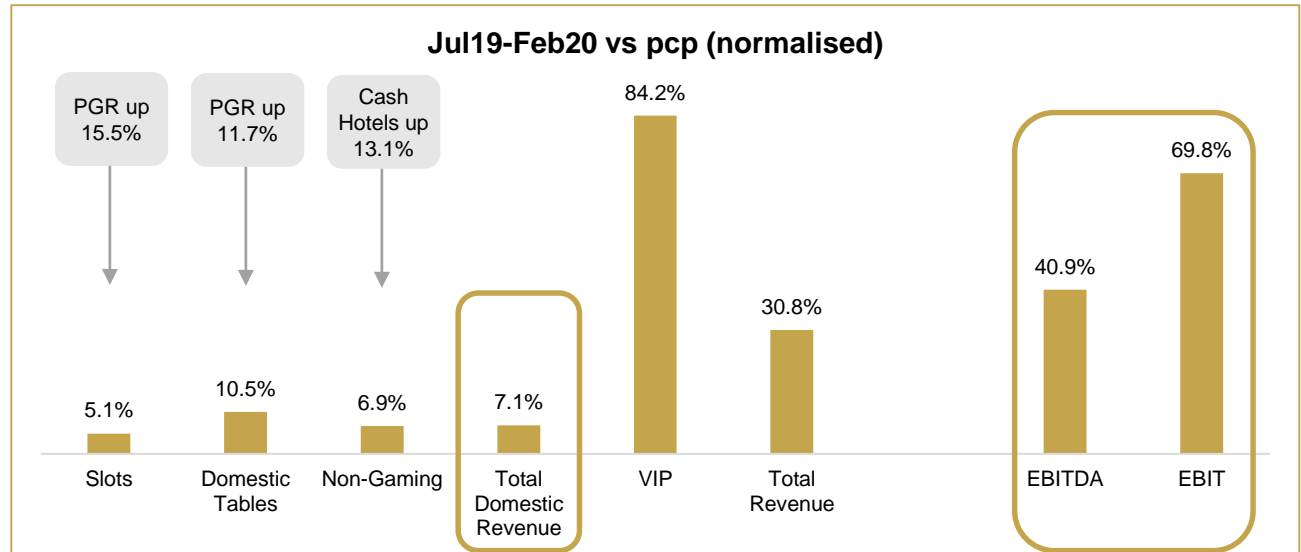
STRONG EARNINGS GROWTH FROM INVESTMENTS

- ◆ Jan/Feb 20 domestic EBITDA up 29% vs pcp (normalised EBITDA up 116%)
- ◆ Earnings lift from The Darling and MGF expansion/ upgrade (delivered 2H FY2018)



QUALITY BROAD-BASED GROWTH

- ◆ Revenue growth over Jul 19 to Feb 20 materially above system
- ◆ Normalised EBITDA up 40.9% and EBIT up 69.8%



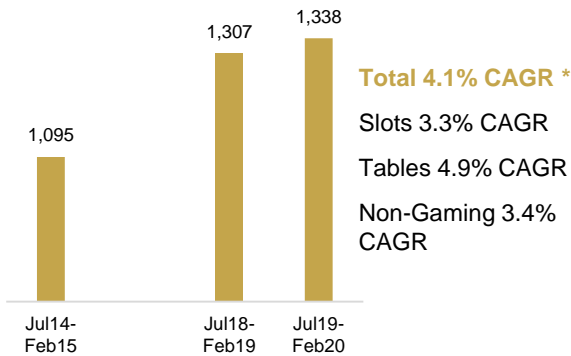
DOMESTIC PERFORMANCE

GROWTH TRENDS CONTINUED

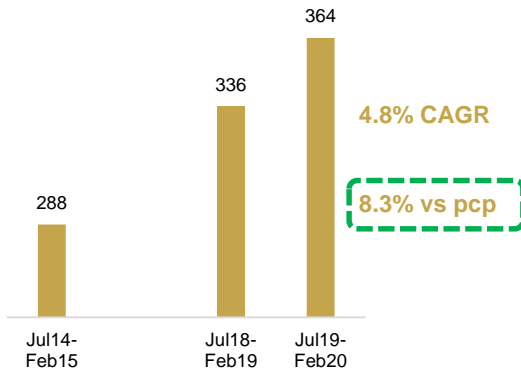
- ◆ Pre-COVID19 performance (Jul 19-Feb 20) continued longer term trends
- ◆ Growth trends reflect investments (gaming and non-gaming), service levels, loyalty

GROUP

Domestic Revenue

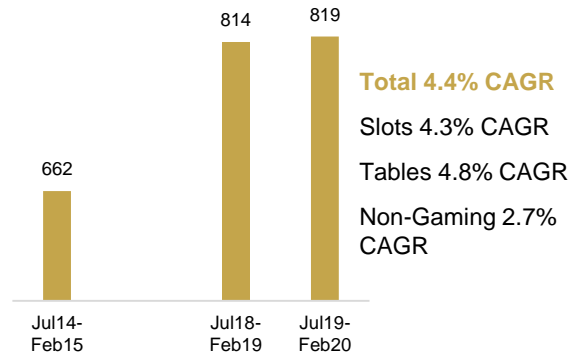


Domestic EBITDA

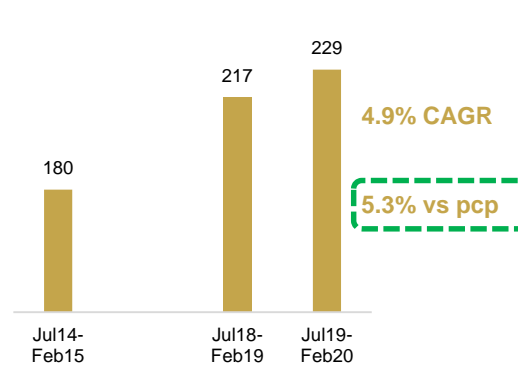


SYDNEY

Domestic Revenue

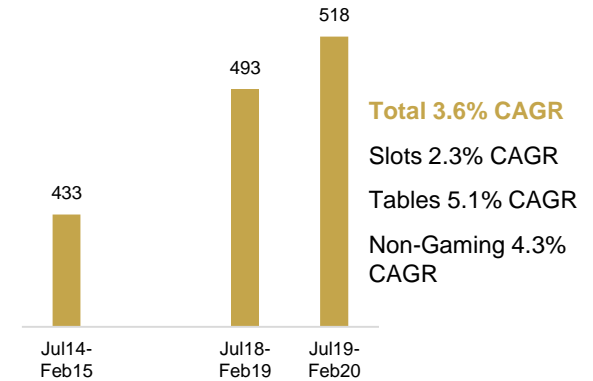


Domestic EBITDA

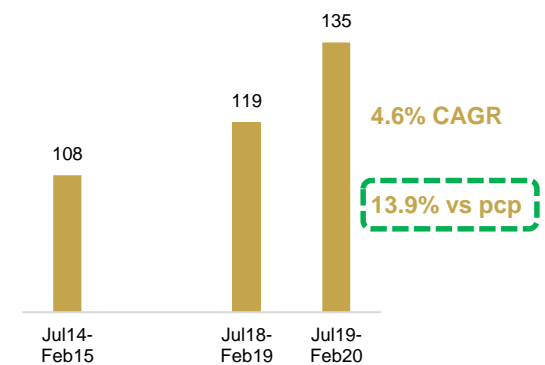


QUEENSLAND

Domestic Revenue



Domestic EBITDA



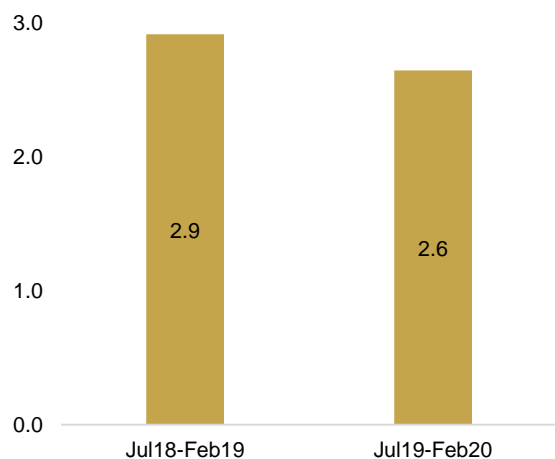
* CAGR for 5-year period over Jul 14 –Feb 15 to Jul 19 – Feb 20

INTERNATIONAL VIP REBATE

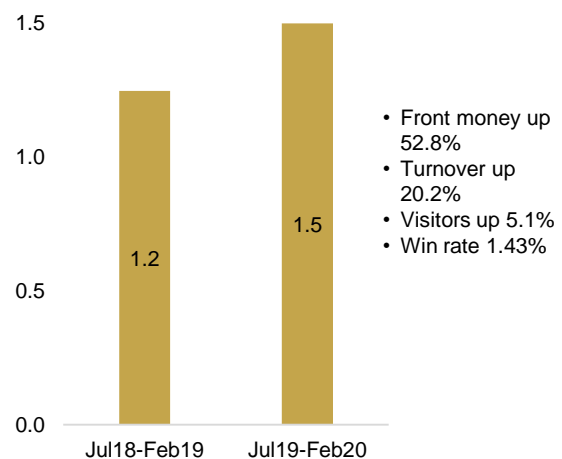
TURNOVER UP PRE-COVID19, STRONG IPM GROWTH

- ◆ Credible performance in challenging markets, IPM diversification (Jul 19-Feb 20 on pcp)
 - IPM front money up 52.8%, VIP ex IPM down 9.2%
 - IPM turnover up 20.2%, VIP ex IPM up 25.5% (impacted by small number of large players and low win rate)
- ◆ Actual player rebate and commissions up 9.2% as majority of programs are turnover based (Jul 19-Feb 20 vs pcp)
- ◆ \$84m pre-tax doubtful debt significant item* as COVID19 reduces ability to collect
 - Reduced player incentive to restore credit ratings (no visitation to SGR or other properties given border closures/ travel restrictions), reduced junket liquidity
 - Uncertainty around return to more normal conditions
- ◆ \$39m VIP receivables to collect as at 31 July 2020

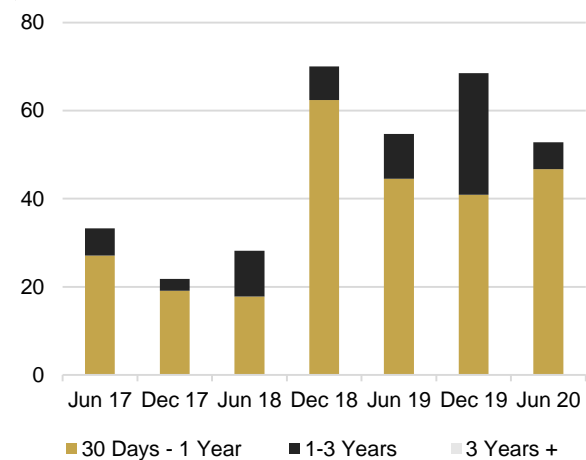
VIP (EX IPM) FRONT MONEY (\$BN)



IPM TURNOVER (\$BN)



NET RECEIVABLES PAST DUE (\$M)



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. * See Note A7 of the Financial Report for further details

THE STAR ENTERTAINMENT GROUP

AGENDA

1. OVERVIEW

2. FINANCIALS

HARRY THEODORE – CFO

3. PRIORITIES

4. Q&A

OVERVIEW

FLAT OPERATING COSTS PRE-COVID19

- ◆ Operating costs flat on pcp (Jul19-Feb 20 vs pcp)
- ◆ Above system domestic volume growth, higher wages and higher VIP volumes offset by cost out program (\$45m annualised run rate pre-COVID19)
- ◆ JobKeeper net wage subsidy of \$9.6m in 4Q FY2020 *
- ◆ \$112m post-tax significant items largely COVID19 related **

COVID19 RESPONSE SUPPORTS BALANCE SHEET

- ◆ Early and comprehensive actions
- ◆ Substantial liquidity – \$507m undrawn facilities at 30 Jun 2020
- ◆ Gearing 3.2x Net Debt/ Normalised EBITDA including COVID19 impacts
- ◆ ~\$70m lower 4Q FY2020 cash requirement than ~\$220m April 2020 guidance from better management of working capital, lower leave draw down

FY2021 DELEVERAGE PLAN

- ◆ Plan provides for significant deleverage in FY2021
- ◆ Incorporates asset sales, capex reductions, no cash dividends

SOURCE OF FUNDS

1	EBITDA
2	Potential asset sales (Sydney carpark, VIP assets) (~\$300m)
3	Potential VIP collections (~\$50m)

USE OF FUNDS

1	SGR-only capital expenditure (~\$100m)
2	Joint venture contributions (QWB, Gold Coast, Sydney) (~\$150m)
3	Net funding costs (\$70-75m)
4	Corporate tax

* SGR received \$64.8m relating to Apr-Jun 20, \$55.1m flowed directly to employees stood down or on reduced hours

** Including provision for doubtful debts relating to VIP (\$84m pre-tax) and COVID19 related expenditures (\$40m pre-tax). See Note A7 of the Financial Report for further details

OVERVIEW

JULY 20 RESTRUCTURE, NON-VIP COSTS REVIEW

- ◆ July 2020 VIP, property development and IT restructure delivers ~\$10m annualised operating cost benefit
- ◆ VIP reflects updated market performance and outlook, mix shift to IPM
 - Reduce aircraft from 2 to 1, sell VIP motor yacht
 - Restructure sales and service teams
- ◆ Non-VIP cost base under review for FY2021-23 earnings opportunity

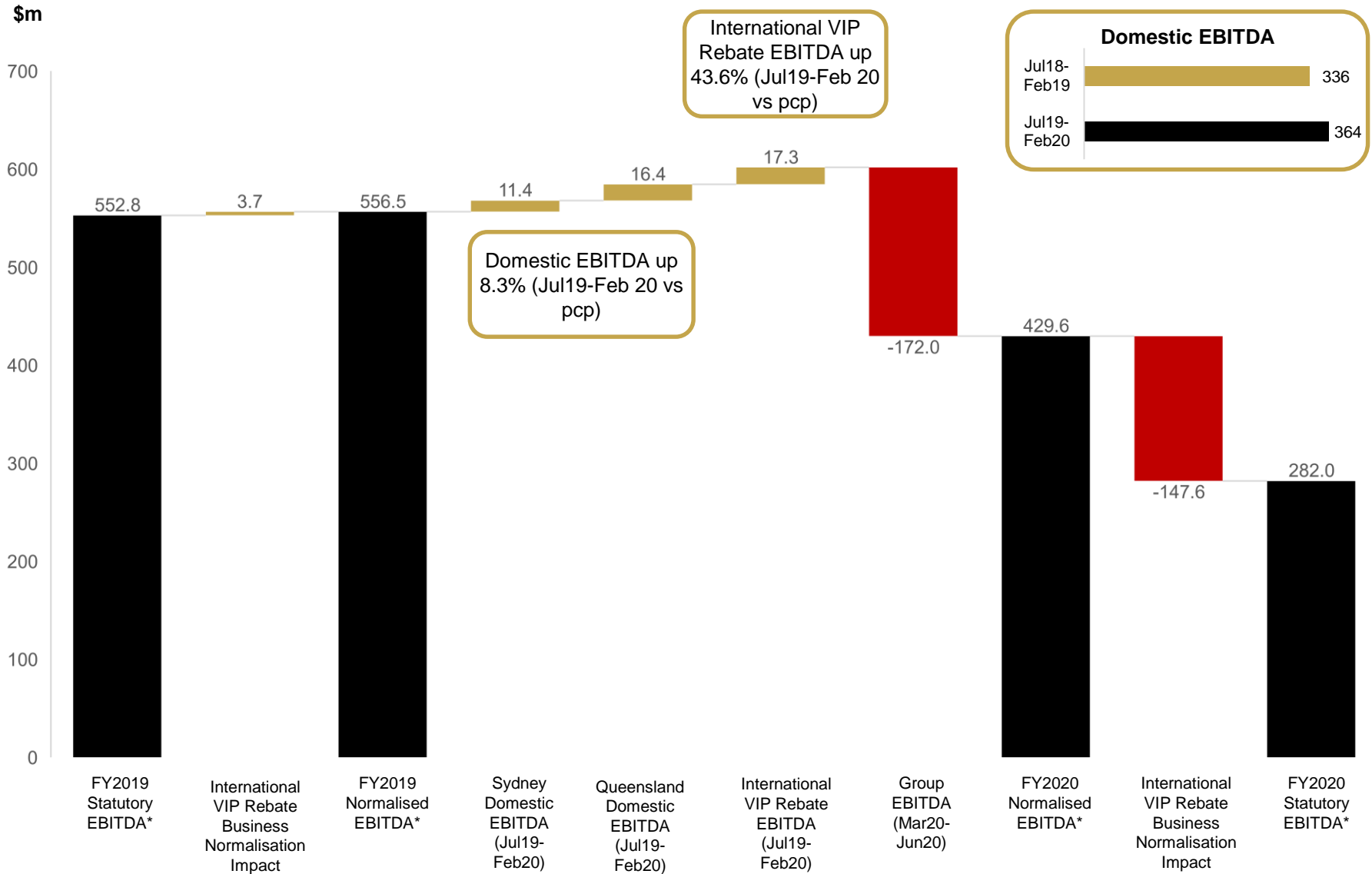
PROJECTS UNINTERRUPTED, FUNDING COMPLETED

- ◆ Projects uninterrupted by COVID19, planned capex fully funded
- ◆ JV projects under construction funding in place
 - QWB ~\$100m equity contributions to complete early CY2021. \$1.6bn project level debt funding completed on terms agreed to pre-COVID19
 - Dorsett Hotel and Residences equity contributions completed. \$260m project level debt funding completed pre-COVID19
- FY2021 capex reduced to ~\$100m (excluding JV contributions)

D&A AND NET INTEREST

- ◆ Expected D&A ~\$210m in FY2021, ~\$200m in FY2022
- ◆ Expected net funding costs \$70-75m in FY2021, reflecting higher net debt and increased committed facilities

EBITDA BRIDGE



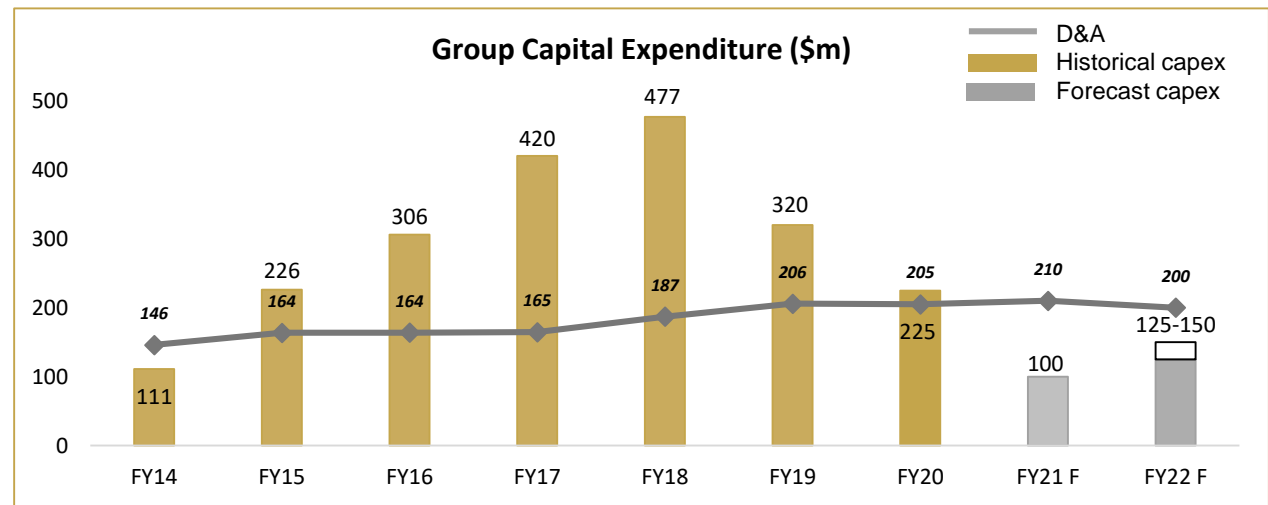
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* Excluding equity accounted investments profits/ losses and significant items.

CAPITAL EXPENDITURE

GROUP CAPEX REDUCING

- ◆ \$239m FY2020 capex (\$180m growth, \$59m maintenance), excluding JV contributions
 - Down \$81m on pcp
 - Growth capex largely new Sydney Sovereign
- ◆ FY2021 expected capex of ~\$100m (~\$175m guidance at 1H FY2020 results), \$125-150m for FY2022
- ◆ FY2021 expected D&A of ~\$210m, ~\$200m for FY2022



JV CONTRIBUTIONS REDUCING

- ◆ FY2020 \$153m JV contributions (QWB and Dorsett Hotel and Residences), down \$22m vs April 2020 guidance
- ◆ FY2021 expected JV contributions of ~\$150m
 - QWB ~\$100m. Remaining construction funded by \$1.6bn project level debt facilities (executed 2H FY2020)
 - Sydney property acquisition, second Gold Coast JV tower (subject to presales and other approvals)
- FY2022 expected JV contributions below \$50m

PROFIT AND LOSS – JULY 2019 TO FEBRUARY 2020

\$M	JUL19-FEB20 STATUTORY	fav/(unfav)	JUL19-FEB20 NORMALISED ²	fav/(unfav)
Domestic Gaming revenue	1,142.9	1.9%	1,142.9	1.9%
International VIP Rebate	240.0	(40.5%)	471.6	25.3%
Non-gaming and other revenue	203.2	5.6%	203.2	5.6%
Gross Revenue ¹	1,586.1	(7.6%)	1,817.7	7.5%
Player rebates and commissions	(238.7)	(9.2%)	(290.3)	(29.3%)
Net Revenue	1,347.4	(10.1%)	1,527.4	4.2%
Gaming taxes and levies	(364.8)	2.3%	(387.9)	(4.7%)
Operating expenditure	(718.8)	0.1%	(718.8)	0.1%
EBITDA (before significant items) ³	263.8	(35.0%)	420.7	12.1%
D&A	(135.7)	2.0%	(135.7)	2.0%
EBIT (before significant items)	128.1	(52.1%)	285.0	20.3%
Share of net profit/(loss) of associate	(0.2)	(140.0%)	(0.2)	(140.0%)
Statutory EBIT (before significant items)	127.9	(52.2%)	284.8	20.0%
Net funding costs	(31.6)	(41.1%)	(31.6)	(41.1%)
Tax (before significant items) ⁴	(29.2)	61.3%	(77.1)	(23.2%)
NPAT (before significant items)	67.1	(60.5%)	176.1	15.6%
Significant items (after tax) ⁵	(5.4)	(217.4%)		
Statutory NPAT	61.7	(64.6%)		

- ◆ Domestic gaming up 1.9% vs pcp (Jul18-Feb19 up 6.2% on pcp)
- ◆ Unusually low 0.69% VIP actual win rate impacts statutory revenue and earnings (1.45% in pcp)
- ◆ Increased statutory player rebates and commissions reflect majority of programs being turnover based
- ◆ Operating expenses flat on pcp – increased volumes and wage rates offset by cost management and restructure
- ◆ Net funding cost increase reflects higher average drawn balances vs pcp
- ◆ Significant items reflects costs relating to Sydney The Ritz-Carlton tower proposal

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
5. July 2019 to February 2020 significant items comprise costs relating to The Ritz-Carlton tower proposal in Sydney. July 2018 to February 2019 significant items include gain on disposal of land for first JV tower at The Star Gold Coast offset by restructuring costs

PROFIT AND LOSS – FY2020

\$M	FY2020		FY2020	
	STATUTORY	fav/(unfav)	NORMALISED ²	fav/(unfav)
Domestic Gaming revenue	1,243.9	(24.1%)	1,243.9	(24.1%)
International VIP Rebate	285.2	(51.3%)	509.2	(11.1%)
Non-gaming and other revenue	219.8	(24.0%)	219.8	(24.0%)
Gross Revenue ¹	1,748.9	(30.4%)	1,972.9	(21.1%)
Player rebates and commissions	(261.9)	26.4%	(315.8)	7.2%
Net Revenue	1,487.0	(31.1%)	1,657.1	(23.3%)
Gaming taxes and levies	(377.3)	30.6%	(399.8)	26.3%
Operating expenditure	(827.7)	22.0%	(827.7)	22.0%
EBITDA (before significant items) ³	282.0	(49.0%)	429.6	(22.8%)
D&A	(205.0)	0.4%	(205.0)	0.4%
EBIT (before significant items)	77.0	(77.8%)	224.6	(36.0%)
Share of net profit/(loss) of associate	(2.1)	(250.0%)	(2.1)	(250.0%)
Statutory EBIT (before significant items)	74.9	(78.4%)	222.5	(36.4%)
Net funding costs	(48.4)	(37.1%)	(48.4)	(37.1%)
Tax (before significant items) ⁴	(8.9)	90.6%	(53.3)	41.5%
NPAT (before significant items)	17.6	(91.9%)	120.8	(46.0%)
Significant items (after tax) ⁵	(112.2)	509.8%		
Statutory NPAT	(94.6)	(147.8%)		
Earnings per share (cents)	(10.3)	(147.7%)		
Total Dividends per share (cents)	10.5	(48.8%)		

- ◆ March-June 2020 period impacted by property closures, travel restrictions. Sydney restricted opening from 1 June 2020
- ◆ Operating expenses down on pcp, reflecting property closures and JobKeeper net wage subsidy (\$9.6m)
- ◆ Net funding cost increase reflect higher average drawn balances vs pcp
- ◆ Significant items largely reflects costs relating to Sydney The Ritz-Carlton tower proposal and impact of COVID19 (see note A7 of Financial Report for further detail)

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 and commissions
3. Statutory EBITDA of \$284.7m 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
5. FY2020 Significant Items largely reflects costs relating to Sydney The Ritz-Carlton tower proposal and impact of COVID19. FY2019 Significant Items include restructuring costs offset by gain on disposal of land for first JV tower at The Star Gold Coast. Refer to Note A7 of the Financial Report for a reconciliation of significant items

BALANCE SHEET

\$M	JUN 2020	JUN 2019
ASSETS		
Current Assets		
Cash and cash equivalents	66.1	114.3
Trade and other receivables	99.5	235.5
Inventories	16.4	17.5
Income tax receivable	7.5	-
Derivative financial instruments	65.8	7.9
Assets held for sale	37.2	-
Other assets	59.9	52.0
Total current assets	352.4	427.2
Non current assets		
Property, plant and equipment	2,837.0	2,779.8
Intangible assets	1,853.1	1,861.4
Derivative financial instruments	67.9	82.7
Investment in associate and joint venture entities	525.1	385.0
Other assets	40.4	47.6
Total Non current assets	5,323.5	5,156.5
TOTAL ASSETS	5,675.9	5,583.7
LIABILITIES		
Current liabilities		
Trade and other payables	324.0	340.9
Interest bearing liabilities	162.9	196.4
Income tax payable	-	12.2
Provisions	70.9	99.9
Derivative financial instruments	7.7	5.6
Other liabilities	21.5	18.8
Total current liabilities	587.0	673.8
Non current liabilities		
Interest bearing liabilities	1,462.1	965.9
Deferred tax liabilities	138.4	170.7
Provisions	10.5	16.9
Derivative financial instruments	7.0	9.6
Other liabilities	5.9	5.9
Total non current liabilities	1,623.9	1,169.0
TOTAL LIABILITIES	2,210.9	1,842.8
NET ASSETS	3,465.0	3,740.9
EQUITY		
Share capital	3,050.8	3,063.0
Retained earnings	410.8	693.5
Reserves	3.4	(15.6)
TOTAL EQUITY	3,465.0	3,740.9

- ◆ Capital programs progressed
 - Property, plant and equipment increased, mainly new Sydney Sovereign
 - Investment in associates and joint venture entities increased, relating to QWB and Gold Coast JV towers
 - Programs funded by free cash flow generation, partner contributions and debt facilities
- ◆ COVID19 property and border closures impacted business volumes and VIP debt provisioning
 - Cash, trade and other payables decreased reflecting lower business volumes
 - Trade and other receivables (balance includes 1H FY2020 dividend paid 2 July 2020) decreased reflecting lower VIP business volumes and \$84m pre-tax doubtful debts significant items provision
 - Deferred tax liabilities decreased due to increase in doubtful debts provision and statutory loss
- ◆ Provisions decreased as restructuring provisions utilised
- ◆ Movement in derivative financial instruments reflects movement in interest rates and currency exchanges
- ◆ Net debt of \$1,383m* (excluding lease liabilities of \$57m), up \$410m vs 30 June 2019, reflecting capital programs, and free cash flow impacted by unusually low 0.76% win rate and COVID19
- ◆ Cash conversion of EBITDA of 102% (FY2019 92%)

* Net debt shown as interest bearing liabilities (excluding lease liabilities of \$57m) less cash and cash equivalents less the net impact of derivative financial instruments

THE STAR ENTERTAINMENT GROUP

AGENDA

1. OVERVIEW

2. FINANCIALS

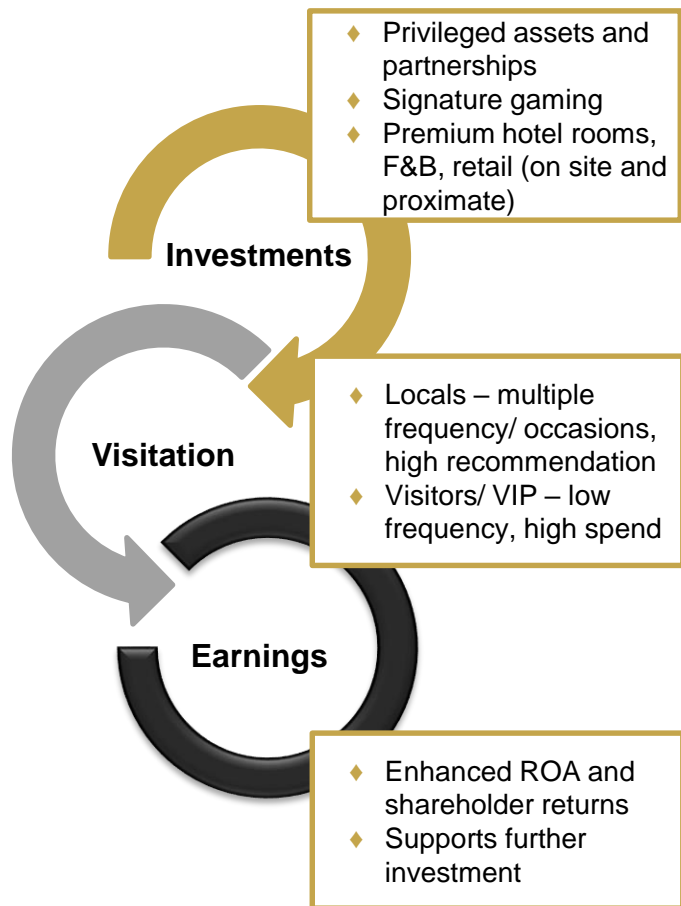
3. PRIORITIES

MATT BEKIER – CEO

4. Q&A

RECAP: RESPOND TO COVID19, STRATEGY UNCHANGED

OUR STRATEGY



OUR DELIVERY

- 1 Solid domestic earnings growth pre-COVID19**
 - ◆ Above system growth
 - ◆ Gold Coast investments deliver growth
 - ◆ Restructure cost benefits embedded
- 2 Rapid and decisive response to COVID19**
 - ◆ Safety of customers and staff
 - ◆ Funding secured, costs reduced
 - ◆ Recovery ready, restructure
- 3 Key milestones attained**
 - ◆ NSW gaming tax and casino EGM exclusivity to FY2041
 - ◆ Gold Coast market structure
 - ◆ QWB funding, Gold Coast Tower 1 funding
 - ◆ Sydney long-term development potential progressed
- 4 Focus on actionable levers to deliver shareholder returns**
 - ◆ Preserve capital – reduce capex, asset recycling, dividend policy
 - ◆ Regulatory – proactively manage new environment
 - ◆ Operational leadership – Gaming, Marketing, Properties
 - ◆ Cost management – continuous improvement

PRIORITIES

1

OPERATIONS

- ◆ **COVID19 earnings recovery** – safely and effectively lift performance. Rapid refocus on local markets, domestic tourism
- ◆ **Sydney competition** – new Sovereign, loyalty upgrade, marketing and sales plans, key staff retention
- ◆ **Operating expenses** – maintain disciplines, full cost base under review (1H FY2021 implementation)
- ◆ **Liquidity** – preserve significant levels of liquidity

2

BALANCE SHEET

- ◆ **Debt reduction** – initiatives underway
 - ◆ Cash preservation – capital expenditure, dividend reductions
 - ◆ Capital recycling – Sydney carpark, VIP assets, other options
- ◆ **Funding engagement** – USPP and banking syndicate

3

STRATEGY UNCHANGED

1	Deliver on operating model	<ul style="list-style-type: none"> ◆ Leverage improved capabilities ◆ Retain efficiencies from cost management ◆ Focus on Sydney PGR, Group MGF
2	Deliver on investment strategy	<ul style="list-style-type: none"> ◆ Sydney long-term developments ◆ Gold Coast masterplan ◆ Queen’s Wharf Brisbane ◆ Chow Tai Fook/ Far East Consortium partnership
3	Execute capital efficient model	<ul style="list-style-type: none"> ◆ Enhance shareholder returns ◆ Partnership approach, mixed use developments ◆ Capital recycling program

PRIORITIES – ADDRESS CROWN SYDNEY

BROAD AND DEEP OFFER, NOT REPLICABLE

COMPETITION READY

1	Table and EGM Gaming	Regulatory and customer advantage <ul style="list-style-type: none"> ◆ Table/ Slot overlap – individuals, small groups ◆ Casino EGM exclusivity
2	PGRs	Unmatched size and range <ul style="list-style-type: none"> ◆ New Chairman's and Sovereign Rooms ◆ Oasis, Vantage
3	Carpark	Direct access to PGRs <ul style="list-style-type: none"> ◆ Over 90% Sovereign patrons drive to property
4	Integrated Offer	Co-located gaming and F&B offer <ul style="list-style-type: none"> ◆ Premium play across PGRs and MGF ◆ Wide range of onsite F&B
5	Loyalty	Updated and targeted <ul style="list-style-type: none"> ◆ Leverage behavioural insights ◆ Improved ratings accuracy (smart tables)
6	Sales	Focused sales <ul style="list-style-type: none"> ◆ Sales/ host to customer ratios, relationships
7	People	Retention schemes, upgraded service levels <ul style="list-style-type: none"> ◆ Key staff retention scheme in place ◆ Forbes 5-star service levels
8	Networked Properties	Spend in Sydney, play and stay in Queensland <ul style="list-style-type: none"> ◆ Gold Coast enlarged, upgraded ◆ QWB from 2022

	Sovereign and Chairman's Rooms	Total
Tables	~ 95	~ 300 (ex VIP)
Slots	~ 310	1,500
MTGMs	~ 100	~ 600



SOVEREIGN ROOM



THE CHAIRMAN'S ROOM

GOLD COAST

CONSTRUCTION UNINTERRUPTED BY COVID19

- ◆ Dorsett Hotel and Residences (first JV tower) uninterrupted by COVID19
 - On time and budget for FY2022 completion
 - Equity contributions completed. \$260m project level debt facility in place
- ◆ Second JV tower presales progressing. Construction subject to presales and all other approvals

LONG-TERM 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 Dorsett Hotel and Residences, retail and associated facilities

* Subject to planning and other approvals



DORSETT HOTEL AND RESIDENCES (TOWER 1)
FEBRUARY 2020



DORSETT HOTEL AND RESIDENCES (TOWER 1)
AUGUST 2020

QUEEN'S WHARF BRISBANE

WORKS ON TIME AND BUDGET, FUNDING COMPLETED

- ◆ Shell, core and façade underway – construction progressed above ground
- ◆ ~75% project costs under lump sum terms following ~15% hotel fit out contracted 2H FY2020. Additional ~13% for next stage of hotel fit out expected by end 1H FY2021
- ◆ Works uninterrupted by COVID19. Appropriate contingency in place
- ◆ ~\$100m in equity contributions (SGR share) to complete early CY2021
- ◆ \$1.6bn project level debt facility established May 2020
 - Terms agreed pre-COVID19 market disruption
 - 5.5 year term, ~3 years operating performance before refinancing required
 - Recourse to partners (50% to SGR)

KEY DATES*

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



VIEW FROM GEORGE STREET – AUGUST 2020



VIEW DOWN WILLIAM STREET – AUGUST 2020

THE STAR ENTERTAINMENT GROUP

AGENDA

1. OVERVIEW

2. FINANCIALS

3. PRIORITIES

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THE STAR ENTERTAINMENT GROUP

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APPENDIX

STATUTORY RESULTS – JULY 2019 TO FEBRUARY 2020

\$M	SYDNEY				QUEENSLAND				TOTAL			
	Feb YTD FY2020	Feb YTD FY2019	fav/(unfav)	fav/(unfav)	Feb YTD FY2020	Feb YTD FY2019	fav/(unfav)	fav/(unfav)	Feb YTD FY2020	Feb YTD FY2019	fav/(unfav)	fav/(unfav)
Slots	235.2	238.1	(2.9)	(1.2%)	235.1	225.6	9.5	4.2%	470.3	463.7	6.6	1.4%
Domestic Tables	477.1	473.3	3.8	0.8%	195.5	184.1	11.4	6.2%	672.6	657.4	15.2	2.3%
Non-gaming	107.1	102.4	4.7	4.6%	87.5	83.0	4.5	5.4%	194.6	185.4	9.2	5.0%
Total Domestic	819.4	813.8	5.6	0.7%	518.1	492.7	25.4	5.2%	1,337.5	1,306.5	31.0	2.4%
International VIP Rebate	225.6	192.1	33.5	17.4%	14.4	211.5	(197.1)	(93.2%)	240.0	403.6	(163.6)	(40.5%)
Other revenue	6.0	5.3	0.7	13.2%	2.6	1.8	0.8	44.4%	8.6	7.1	1.5	21.1%
Total Gross Revenue	1,051.0	1,011.2	39.8	3.9%	535.1	706.0	(170.9)	(24.2%)	1,586.1	1,717.2	(131.1)	(7.6%)
Player rebates and commissions	(132.9)	(134.9)	2.0	1.5%	(105.8)	(83.6)	(22.2)	(26.6%)	(238.7)	(218.5)	(20.2)	(9.2%)
Net Revenue	918.1	876.3	41.8	4.8%	429.3	622.4	(193.1)	(31.0%)	1,347.4	1,498.7	(151.3)	(10.1%)
Gaming taxes and levies	(247.8)	(242.1)	(5.7)	(2.4%)	(117.0)	(131.2)	14.2	10.8%	(364.8)	(373.3)	8.5	2.3%
Operating expenses	(423.4)	(430.8)	7.4	1.7%	(295.4)	(288.9)	(6.5)	(2.2%)	(718.8)	(719.7)	0.9	0.1%
EBITDA (before significant items)	246.9	203.4	43.5	21.4%	16.9	202.3	(185.4)	(91.6%)	263.8	405.7	(141.9)	(35.0%)
D&A	(78.7)	(84.7)	6.0	7.1%	(57.0)	(53.8)	(3.2)	(5.9%)	(135.7)	(138.5)	2.8	2.0%
EBIT (before significant items)	168.2	118.7	49.5	41.7%	(40.1)	148.5	(188.6)	(127.0%)	128.1	267.2	(139.1)	(52.1%)
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									(31.6)	(22.4)	(9.2)	(41.1%)
Tax									(26.9)	(71.4)	44.5	62.3%
Statutory NPAT									61.7	174.4	(112.7)	(64.6%)
EBITDA/Revenue %	23.5%	20.1%	3.4%		3.2%	28.7%	(25.5%)		16.6%	23.6%	(7.0%)	
International VIP Rebate Front Money \$m	2,024.4	2,132.1	(107.7)	(5.1%)	696.5	833.2	(136.7)	(16.4%)	2,720.9	2,965.3	(244.4)	(8.2%)
International VIP Rebate Turnover \$m	18,548.9	18,800.6	(251.7)	(1.3%)	16,372.0	9,081.3	7,290.7	80.3%	34,920.9	27,881.9	7,039.0	25.3%
International VIP Rebate Win rate	1.22%	1.02%			0.09%	2.33%			0.69%	1.45%		

Net Revenue is after player rebates and commissions. Complimentary revenue is included within domestic gaming revenue. International VIP Rebate includes IPM. Refer to Note A7 of the Financial Report for a reconciliation of significant items.

APPENDIX

STATUTORY RESULTS – FY2020

\$M	SYDNEY				QUEENSLAND				TOTAL			
	FY2020	FY2019	fav/(unfav)	fav/(unfav)	FY2020	FY2019	fav/(unfav)	fav/(unfav)	FY2020	FY2019	fav/(unfav)	fav/(unfav)
Slots	258.7	347.1	(88.4)	(25.5%)	250.6	335.4	(84.8)	(25.3%)	509.3	682.5	(173.2)	(25.4%)
Domestic Tables	526.3	694.8	(168.5)	(24.3%)	208.3	261.5	(53.2)	(20.3%)	734.6	956.3	(221.7)	(23.2%)
Non-gaming	115.7	154.3	(38.6)	(25.0%)	93.9	123.9	(30.0)	(24.2%)	209.6	278.2	(68.6)	(24.7%)
Total Domestic	900.7	1,196.2	(295.5)	(24.7%)	552.8	720.8	(168.0)	(23.3%)	1,453.5	1,917.0	(463.5)	(24.2%)
International VIP Rebate	261.6	364.5	(102.9)	(28.2%)	23.6	221.5	(197.9)	(89.3%)	285.2	586.0	(300.8)	(51.3%)
Other revenue	7.2	7.1	0.1	1.4%	3.0	3.9	(0.9)	(23.1%)	10.2	11.0	(0.8)	(7.3%)
Total Gross Revenue	1,169.5	1,567.8	(398.3)	(25.4%)	579.4	946.2	(366.8)	(38.8%)	1,748.9	2,514.0	(765.1)	(30.4%)
Player rebates and commissions	(147.2)	(259.5)	112.3	43.3%	(114.7)	(96.4)	(18.3)	(19.0%)	(261.9)	(355.9)	94.0	26.4%
Net Revenue	1,022.3	1,308.3	(286.0)	(21.9%)	464.7	849.8	(385.1)	(45.3%)	1,487.0	2,158.1	(671.1)	(31.1%)
Gaming taxes and levies	(248.3)	(360.0)	111.7	31.0%	(129.0)	(184.0)	55.0	29.9%	(377.3)	(544.0)	166.7	30.6%
Operating expenses	(489.9)	(640.7)	150.8	23.5%	(337.8)	(420.6)	82.8	19.7%	(827.7)	(1,061.3)	233.6	22.0%
EBITDA (before significant items)	284.1	307.6	(23.5)	(7.6%)	(2.1)	245.2	(247.3)	(100.9%)	282.0	552.8	(270.8)	(49.0%)
D&A	(117.5)	(123.6)	6.1	4.9%	(87.5)	(82.2)	(5.3)	(6.4%)	(205.0)	(205.8)	0.8	0.4%
EBIT (before significant items)	166.6	184.0	(17.4)	(9.5%)	(89.6)	163.0	(252.6)	(155.0%)	77.0	347.0	(270.0)	(77.8%)
Share of net profit/(loss) of associate									(2.1)	(0.6)	(1.5)	(250.0%)
Significant Items									(155.9)	(32.4)	(123.5)	(381.2%)
Net funding costs									(48.4)	(35.3)	(13.1)	(37.1%)
Tax									34.8	(80.7)	115.5	143.1%
Statutory NPAT									(94.6)	198.0	(292.6)	(147.8%)
EBITDA/Revenue %	24.3%	19.6%	4.7%		(0.4%)	25.9%	(26.3%)		16.1%	22.0%	(5.9%)	
International VIP Rebate Front Money \$m	2,161.4	3,307.5	(1,146.1)	(34.7%)	777.8	1,085.1	(307.3)	(28.3%)	2,939.2	4,392.6	(1,453.4)	(33.1%)
International VIP Rebate Turnover \$m	20,303.5	31,650.6	(11,347.1)	(35.9%)	17,381.7	10,730.8	6,650.9	62.0%	37,685.2	42,381.4	(4,696.2)	(11.1%)
International VIP Rebate Win rate	1.29%	1.15%			0.14%	2.06%			0.76%	1.38%		

Net Revenue is after player rebates and commissions. Complimentary revenue is included within domestic gaming revenue. International VIP Rebate includes IPM. Refer to Note A7 of the Financial Report for a reconciliation of significant items.

APPENDIX

NORMALISED RESULTS – JULY 2019 TO FEBRUARY 2020

\$M	SYDNEY				QUEENSLAND				TOTAL			
	Feb YTD FY2020	Feb YTD FY2019	fav/(unfav)	fav/(unfav)	Feb YTD FY2020	Feb YTD FY2019	fav/(unfav)	fav/(unfav)	Feb YTD FY2020	Feb YTD FY2019	fav/(unfav)	fav/(unfav)
Slots	235.2	238.1	(2.9)	(1.2%)	235.1	225.6	9.5	4.2%	470.3	463.7	6.6	1.4%
Domestic Tables	477.1	473.3	3.8	0.8%	195.5	184.1	11.4	6.2%	672.6	657.4	15.2	2.3%
Non-gaming	107.1	102.4	4.7	4.6%	87.5	83.0	4.5	5.4%	194.6	185.4	9.2	5.0%
Total Domestic	819.4	813.8	5.6	0.7%	518.1	492.7	25.4	5.2%	1,337.5	1,306.5	31.0	2.4%
International VIP Rebate	250.6	253.9	(3.3)	(1.3%)	221.0	122.6	98.4	80.3%	471.6	376.5	95.1	25.3%
Other revenue	6.0	5.3	0.7	13.2%	2.6	1.8	0.8	44.4%	8.6	7.1	1.5	21.1%
Total Gross Revenue	1,076.0	1,073.0	3.0	0.3%	741.7	617.1	124.6	20.2%	1,817.7	1,690.1	127.6	7.5%
Player rebates and commissions	(147.1)	(153.9)	6.8	4.4%	(143.2)	(70.6)	(72.6)	(102.8%)	(290.3)	(224.5)	(65.8)	(29.3%)
Net Revenue	928.9	919.1	9.8	1.1%	598.5	546.5	52.0	9.5%	1,527.4	1,465.6	61.8	4.2%
Gaming taxes and levies	(250.3)	(248.2)	(2.1)	(0.8%)	(137.6)	(122.3)	(15.3)	(12.5%)	(387.9)	(370.5)	(17.4)	(4.7%)
Operating expenses	(423.4)	(430.8)	7.4	1.7%	(295.4)	(288.9)	(6.5)	(2.2%)	(718.8)	(719.7)	0.9	0.1%
Normalised EBITDA	255.2	240.1	15.1	6.3%	165.5	135.3	30.2	22.3%	420.7	375.4	45.3	12.1%
D&A	(78.7)	(84.7)	6.0	7.1%	(57.0)	(53.8)	(3.2)	(5.9%)	(135.7)	(138.5)	2.8	2.0%
Normalised EBIT	176.5	155.4	21.1	13.6%	108.5	81.5	27.0	33.1%	285.0	236.9	48.1	20.3%
Share of net profit/(loss) of associate									(0.2)	0.5	(0.7)	(140.0%)
Normalised EBIT after share of net profit of associate									284.8	237.4	47.4	20.0%
Net funding costs									(31.6)	(22.4)	(9.2)	(41.1%)
Tax									(77.1)	(62.6)	(14.5)	(23.2%)
Normalised NPAT									176.1	152.4	23.7	15.6%
EBITDA/Revenue %	23.7%	22.4%	1.3%		22.3%	21.9%	0.4%		23.1%	22.2%	0.9%	
International VIP Rebate Front Money \$m	2,024.4	2,132.1	(107.7)	(5.1%)	696.5	833.2	(136.7)	(16.4%)	2,720.9	2,965.3	(244.4)	(8.2%)
International VIP Rebate Turnover \$m	18,548.9	18,800.6	(251.7)	(1.3%)	16,372.0	9,081.3	7,290.7	80.3%	34,920.9	27,881.9	7,039.0	25.3%
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 IPM. Refer to Note A7 of the Financial Report for a reconciliation of significant items.

APPENDIX

NORMALISED RESULTS – FY2020

\$M	SYDNEY				QUEENSLAND				TOTAL			
	FY2020	FY2019	fav/(unfav)	fav/(unfav)	FY2020	FY2019	fav/(unfav)	fav/(unfav)	FY2020	FY2019	fav/(unfav)	fav/(unfav)
Slots	258.7	347.1	(88.4)	(25.5%)	250.6	335.4	(84.8)	(25.3%)	509.3	682.5	(173.2)	(25.4%)
Domestic Tables	526.3	694.8	(168.5)	(24.3%)	208.3	261.5	(53.2)	(20.3%)	734.6	956.3	(221.7)	(23.2%)
Non-gaming	115.7	154.3	(38.6)	(25.0%)	93.9	123.9	(30.0)	(24.2%)	209.6	278.2	(68.6)	(24.7%)
Total Domestic	900.7	1,196.2	(295.5)	(24.7%)	552.8	720.8	(168.0)	(23.3%)	1,453.5	1,917.0	(463.5)	(24.2%)
International VIP Rebate	274.6	428.1	(153.5)	(35.9%)	234.6	144.8	89.8	62.0%	509.2	572.9	(63.7)	(11.1%)
Other revenue	7.2	7.1	0.1	1.4%	3.0	3.9	(0.9)	(23.1%)	10.2	11.0	(0.8)	(7.3%)
Total Gross Revenue	1,182.5	1,631.4	(448.9)	(27.5%)	790.4	869.5	(79.1)	(9.1%)	1,972.9	2,500.9	(528.0)	(21.1%)
Player rebates and commissions	(166.1)	(256.9)	90.8	35.3%	(149.7)	(83.5)	(66.2)	(79.3%)	(315.8)	(340.4)	24.6	7.2%
Net Revenue	1,016.4	1,374.5	(358.1)	(26.1%)	640.7	786.0	(145.3)	(18.5%)	1,657.1	2,160.5	(503.4)	(23.3%)
Gaming taxes and levies	(249.6)	(366.4)	116.8	31.9%	(150.2)	(176.3)	26.1	14.8%	(399.8)	(542.7)	142.9	26.3%
Operating expenses	(489.9)	(640.7)	150.8	23.5%	(337.8)	(420.6)	82.8	19.7%	(827.7)	(1,061.3)	233.6	22.0%
Normalised EBITDA	276.9	367.4	(90.5)	(24.6%)	152.7	189.1	(36.4)	(19.2%)	429.6	556.5	(126.9)	(22.8%)
D&A	(117.5)	(123.6)	6.1	4.9%	(87.5)	(82.2)	(5.3)	(6.4%)	(205.0)	(205.8)	0.8	0.4%
Normalised EBIT	159.4	243.8	(84.4)	(34.6%)	65.2	106.9	(41.7)	(39.0%)	224.6	350.7	(126.1)	(36.0%)
Share of net profit/(loss) of associate									(2.1)	(0.6)	(1.5)	(250.0%)
Normalised EBIT after share of net profit of associate									222.5	350.1	(127.6)	(36.4%)
Net funding costs									(48.4)	(35.3)	(13.1)	(37.1%)
Tax									(53.3)	(91.1)	37.8	41.5%
Normalised NPAT									120.8	223.7	(102.9)	(46.0%)
EBITDA/Revenue %	23.4%	22.5%	0.9%		19.3%	21.7%	(2.4%)		21.8%	22.3%	(0.5%)	
International VIP Rebate Front Money \$m	2,161.4	3,307.5	(1,146.1)	(34.7%)	777.8	1,085.1	(307.3)	(28.3%)	2,939.2	4,392.6	(1,453.4)	(33.1%)
International VIP Rebate Turnover \$m	20,303.5	31,650.6	(11,347.1)	(35.9%)	17,381.7	10,730.8	6,650.9	62.0%	37,685.2	42,381.4	(4,696.2)	(11.1%)
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 IPM. Refer to Note A7 of the Financial Report for a reconciliation of significant items.

APPENDIX

OPERATIONAL METRICS

OPERATIONAL METRICS	SYDNEY		QUEENSLAND		SYDNEY		QUEENSLAND	
	Feb YTD FY2020	Feb YTD FY2019	Feb YTD FY2020	Feb YTD FY2019	FY2020	FY2019	FY2020	FY2019
Slots								
Revenue (\$m)	235	238	235	226	259	347	251	335
NMR/machine/day	644	657	311	301	477	638	225	296
MTGMs								
Revenue (\$m)	66	69	28	28	73	102	29	41
NMR/machine/day	447	492	294	303	341	476	208	284
Domestic Tables (excl. MTGMs)								
Revenue (\$m)	411	404	168	156	453	592	179	220
Hold %	20%	18%	20%	20%	20%	18%	20%	19%
VIP Rebate (Actual)								
Front Money (\$m)	2,024	2,132	696	833	2,161	3,308	778	1,085
Turnover (\$m)	18,549	18,801	16,372	9,081	20,303	31,651	17,382	10,731
Turns	9.2	8.8	23.5	10.9	9.4	9.6	22.3	9.9
Win Rate	1.22%	1.02%	0.09%	2.33%	1.29%	1.15%	0.14%	2.06%
Hotels								
Occupancy	95%	94%	85%	83%	76%	95%	79%	81%
Cash Revenue (\$m)	22	21	22	20	25	32	24	30
Average Cash Rate	337	332	269	247	340	336	271	245
Restaurants								
Cash Revenue (\$m)	36	33	33	32	39	50	35	48
Gross Revenue (\$m)	54	49	52	50	59	73	55	73
Bars								
Cash Revenue (\$m)	27	28	18	18	28	41	19	26
Gross Revenue (\$m)	69	68	48	42	74	100	51	64
Statutory EBITDA/Revenue %	23.5%	20.1%	3.2%	28.7%	24.3%	19.6%	(0.4%)	25.9%
Normalised EBITDA/Revenue %	23.7%	22.4%	22.3%	21.9%	23.4%	22.5%	19.3%	21.7%
Employee Costs/Statutory Revenue %	20.5%	23.4%	28.1%	22.1%	21.0%	22.4%	29.5%	24.5%
Employee Costs/Normalised Revenue %	20.0%	22.1%	20.3%	25.3%	20.8%	21.6%	21.6%	26.7%

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.

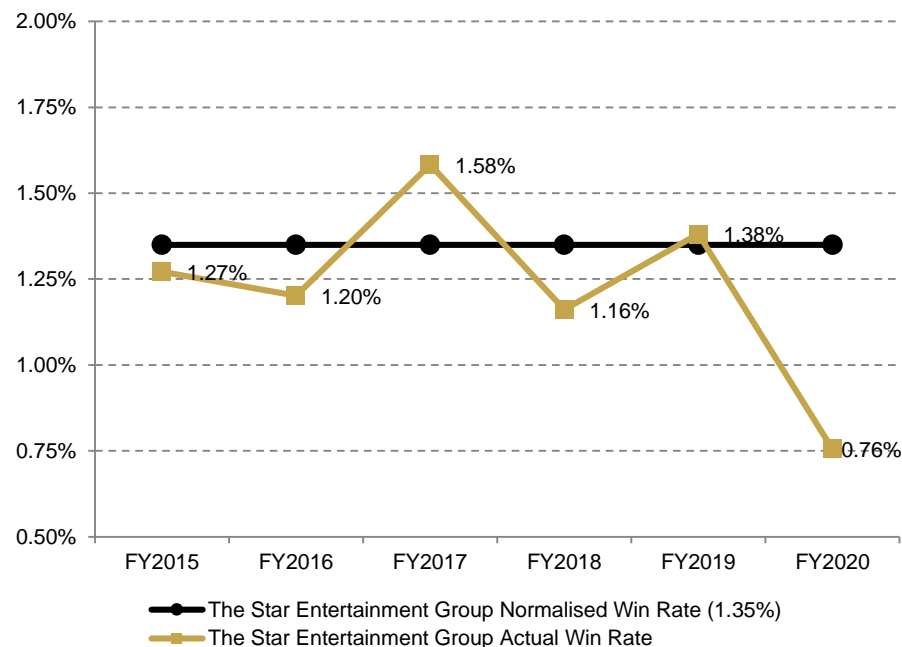
APPENDIX

INTERNATIONAL VIP REBATE NORMALISATION

ACTUAL WIN RATE VS THEORETICAL

- ◆ Unusually low FY2020 0.76% win rate (1.38% in pcp). Includes IPM (0.73% excluding IPM)
- ◆ 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

JUL19-FEB20 VS PCP COMPARISON (\$M)	JUL19-FEB20	REVENUE NORMALISATION	REVENUE SHARE COMMISSION NORMALISATION	JUL19-FEB20 NORM @1.35%
Total Domestic	1,337.5	-	-	1,337.5
International VIP Rebate (Gross)	240.0	231.6	-	471.6
Other revenue	8.6	-	-	8.6
Total Gross Revenue	1,586.1	231.6	-	1,817.7
Player rebates and commissions	(238.7)	-	(51.6)	(290.3)
Net Revenue	1,347.4	231.6	(51.6)	1,527.4
Gaming taxes and levies	(364.8)	(23.1)	-	(387.9)
Operating expenses	(718.8)	-	-	(718.8)
EBITDA (before significant items)	263.8	208.5	(51.6)	420.7
D&A	(135.7)	-	-	(135.7)
EBIT (before significant items)	128.1	208.5	(51.6)	285.0
Share of net (loss)/profit of associate	(0.2)	-	-	(0.2)
Significant items	(7.7)	7.7	-	-
Net interest expense	(31.6)	-	-	(31.6)
Tax	(26.9)	(65.7)	15.5	(77.1)
Statutory NPAT	61.7	150.5	(36.1)	176.1

FY2020 RESULTS COMPARISON (\$M)	FY2020	REVENUE NORMALISATION	REVENUE SHARE COMMISSION NORMALISATION	FY2020 NORM @1.35%
Total Domestic	1,453.5	-	-	1,453.5
International VIP Rebate (Gross)	285.2	224.0	-	509.2
Other revenue	10.2	-	-	10.2
Total Gross Revenue	1,748.9	224.0	-	1,972.9
Player rebates and commissions	(261.9)	-	(53.9)	(315.8)
Net Revenue	1,487.0	224.0	(53.9)	1,657.1
Gaming taxes and levies	(377.3)	(22.4)	-	(399.8)
Operating expenses	(827.7)	-	-	(827.7)
EBITDA (before significant items)	282.0	201.6	(53.9)	429.6
D&A	(205.0)	-	-	(205.0)
EBIT (before significant items)	77.0	201.6	(53.9)	224.6
Share of net (loss)/profit of associate	(2.1)	-	-	(2.1)
Significant items	(155.9)	155.9	-	-
Net interest expense	(48.4)	-	-	(48.4)
Tax	34.8	(104.2)	16.2	(53.3)
Statutory NPAT	(94.6)	253.3	(37.7)	120.8

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. Refer to Note A7 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 IPM.

APPENDIX

INTERNATIONAL VIP REBATE RECEIVABLES *

INTERNATIONAL VIP REBATE BUSINESS RECEIVABLES (BEFORE PROVISIONS)	0 - 30 DAYS	30 DAYS - 1 YEAR	1 - 3 YEARS	TOTAL
June 2020 (\$m)				
Not yet due	0.5	-	-	0.5
Past due not impaired	-	46.7	6.1	52.8
Considered impaired	-	64.3	39.3	103.6
Total	0.5	111.0	45.4	156.9
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

- ◆ 30 June 2020 past due not impaired receivables down on 30 June 2019, reflecting additional \$84m pre-tax in doubtful debt significant item from COVID19 (see Note A7 of the Financial Report for further detail)

* Excludes non-gaming debtors

APPENDIX

CASH CONVERSION AND FUNDING

CASH CONVERSION

CATEGORY \$M	Jun-20	Jun-19
Cash flows from operating activities before interest and income tax		
Net cash receipts from customers (inclusive of GST)	1,640.1	2,162.7
Payments to suppliers and employees (inclusive of GST)	(1,103.8)	(1,158.8)
Payment of government levies, gaming taxes and GST	(418.7)	(525.1)
Receipt of government grants	40.00	-
Net cash inflows from operating activities before interest and income tax	157.6	478.8
Profit before net finance costs and income tax*	(77.2)	314.0
Add back depreciation, amortisation and impairment	232.3	205.8
EBITDA*	155.1	519.8
Cash conversion	102%	92%

* Including share of net (loss)/ profit of associate and significant items

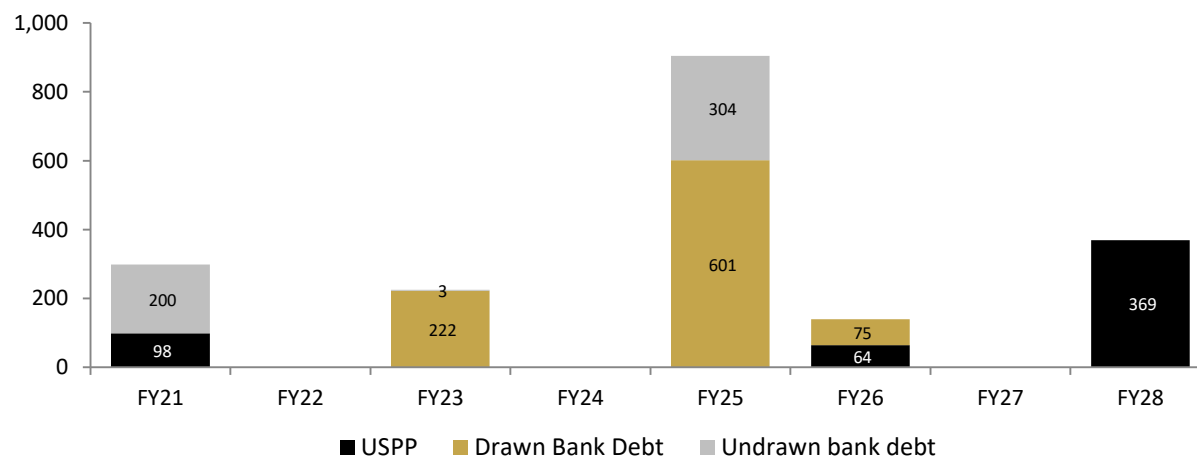
Net cash receipts is after player rebates and commissions. Significant items in FY2020 largely reflects costs relating to Sydney The Ritz-Carlton tower proposal and impact of COVID19. See Note A7 of the Financial Report for further detail

FUNDING

As at 30 June 2020:

- ◆ \$1.9bn total facilities
- ◆ 4.0 years weighted average debt maturity of committed debt facilities
- ◆ \$0.6 bn total available cash and facilities

DEBT MATURITY PROFILE AT 30 JUNE 2020 (\$M)

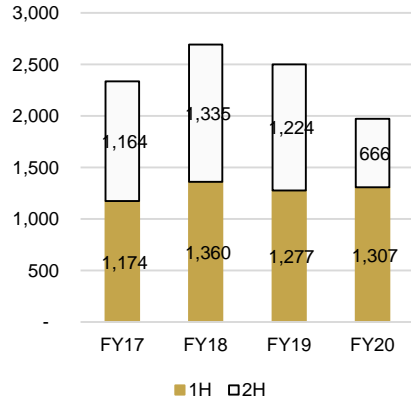


APPENDIX

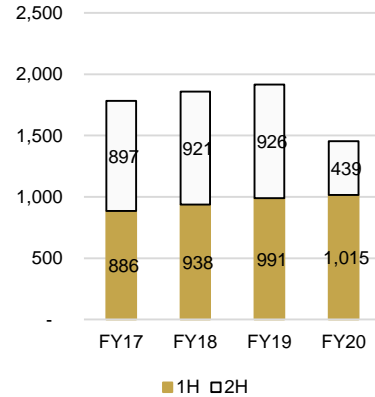
KEY FINANCIAL METRICS

REVENUE

Normalised Gross Revenue (\$m)

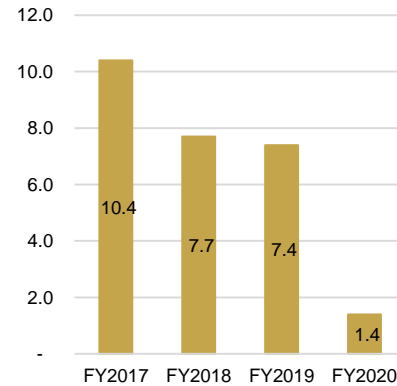


Domestic Revenue (\$m)

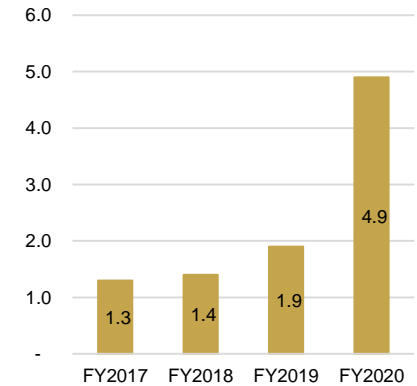


GEARING

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

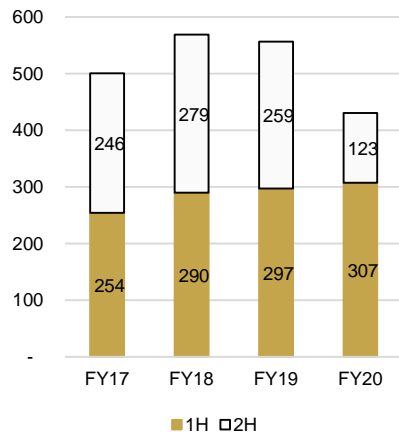


Gearing (Net Debt/ Statutory EBITDA) (times)

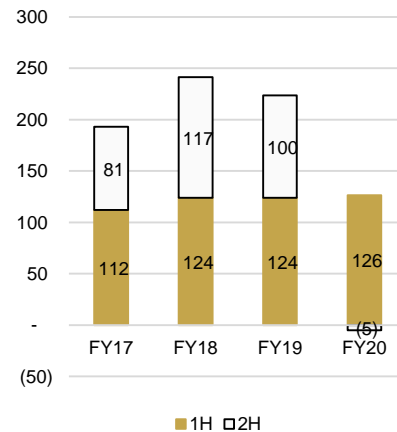


EARNINGS

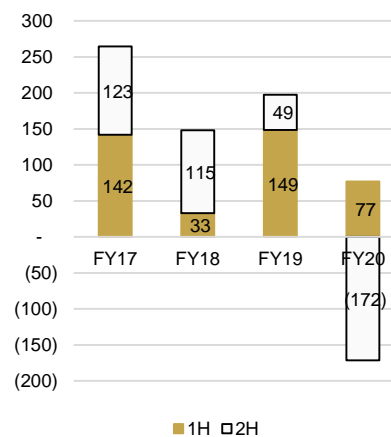
EBITDA - Normalised (\$m)



NPAT - Normalised (\$m)

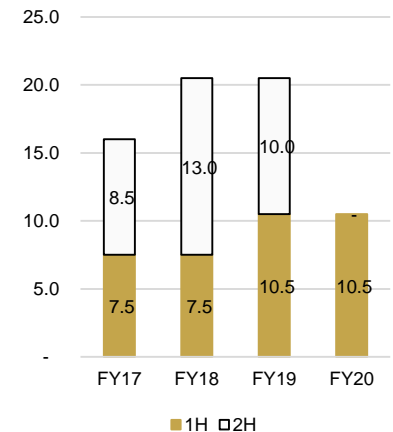


NPAT - Statutory (\$m)



DIVIDEND

Dividends per share (cents)



Note: Gearing and Interest Cover ratios 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



>50% portfolio with environmental ratings, 90% by 2022



Over 100 initiatives completed to reduce environmental impact



20,000L water saved daily at The Star Sydney



Launched “Beyond 2020”, our new Sustainability Action Plan



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



Founding member of Sydney’s **Sustainable Destination Partnership**.
41 single use items replaced with 33 sustainable alternatives

SOCIAL AND COMMUNITY



\$310m Government taxes and levies paid in FY2020 *



33 tons of food (100,000 meals) donated (**OzHarvest, Foodbank**)



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

EMPLOYEES



COVID19 response – 2 weeks pandemic leave, plus **\$3m discretionary payments** to support at-risk staff



#2 in Australia, Refinitiv 2019 **Diversity and Inclusion Index**



Bronze Employer Australian **Workplace Equality Index**

* Unaudited

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
IPM	International Premium Mass, the 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