

Six Monthly Review to Shareholders to 30 September 2018

Closing in on the calendar year and reflecting on results for the first six months of the financial year it is pleasing to report Skyline Enterprises is in line with budget. Not only in respect to financial performance but also in terms of where we expected to be with our respective business plans for the year.

Skyline Queenstown trading continues to be solid however was impacted with the shutdown of the Luge operation during the upgrade and chairlift replacement. Skyline Rotorua has traded in line with budget despite periods of unsettled weather.

To date our Skyline Luge businesses have produced a mixed performance, the Canadian operations traded behind budget, but our major year-round operations are on track for a successful full year.

Totally Tourism is also tracking well as we move into the important summer trading period which is key to the overall result.

Christchurch Casino has produced a much-improved result over this period last year.

Skyline Properties performance continues to be consistent with our premises fully tenanted.

Upgrade work at both accommodation properties, Dunedin Leisure Lodge and Blue Peaks has continued. Dunedin accommodation demand remains soft whereas Queenstown continues to be buoyant.

In addition to business as usual our planned developments continue to demand our attention. Major projects include Skyline Queenstown, O'Connell's Pavilion, new Tongyeong Luge tracks, Skyline Coaster Sentosa, Skyline Luge Busan, Skyline Luge Sheffield, Skyline Swansea and Franz Josef Glacier Gondola. Not unexpectedly several of our projects are taking longer than planned due to consenting issues. Although frustrating this is not concerning as it provides time to ensure project management is robust.

A current overview of Skyline Enterprises can be found via the link

<http://www.skylineenterprises.co.nz/assets/Six-Monthly-Reviews-/Skyline-Enterprises-December-2018.pdf>

On behalf of Skyline Enterprises, I would like to wish shareholders a wonderful Christmas and New Year.

Mark Quickfall
Chairman
December 2018

