



MEDIA RELEASE
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New Zealand Racing Board Posts Net Profit Increase

The New Zealand Racing Board has today announced a Net Profit increase of \$137.0 million for the financial year ending 31 July 2014.

NZRB Chief Executive Officer (Acting) Stewart McRobie says it has been a mixed year for the NZ Racing Board, but the core business is strong, underpinned by solid year on year growth.

“The NZ Racing Board achieved record breaking turnover results surpassing the \$2 billion mark for the first time in the organisation’s history. This was on the back of a highly successful Football World Cup tournament that was the TAB’s biggest ever betting event with turnover of \$32.3m.

“Year on year we achieved growth in Betting and Gaming turnover of 6.8% and 6.5% respectively. Turnover growth from domestic customers is running over three times higher than the compound average of the last four years – a long term negative trend that is beginning to reverse,” says Mr McRobie.

Mr McRobie says rising Operating Expenses and other factors have meant that while Net Profit was marginally above the prior year result, and a record, it did not meet budget.

“Some very positive improvements have been offset by the significant appreciation of the New Zealand dollar against the Australian dollar. Our key initiative projects – broadcasting and the mobile app have also cost more and taken longer to execute, but we expect to see benefits from these projects come through in future results,” says Mr McRobie.

The three Racing Codes – New Zealand Thoroughbred Racing, Harness Racing New Zealand and Greyhound Racing New Zealand – and the racing industry, received \$137.4 million from NZRB’s operations, while \$5.0 million was paid or provided for distribution to National Sporting Organisations, and a record \$2.3 million to other sporting bodies from gaming activities.

	2013/14	2012/13¹	% change
Turnover	\$2.088b	\$1.957b	+6.7%
Net profit	\$137.0m	\$136.7m	+0.2%
Total Group distribution made from current year profit	\$137.4m	\$134.9m	+1.8%

Note: All figures comprise TAB betting and Class 4 gaming

The audited financial statements have been completed. The 2013/14 results exclude the gain realised from the sale of the NZ Racing Board Head Office in Petone, as this transaction was completed early in the 2014/15 financial year.

The NZ Racing Board’s Statement of Intent is available on the NZ Racing Board website. The annual report, including the financial statements, will be available at the Annual General Meeting on November 24, 2014.

ENDS

NZRB CEO (Acting) Stewart McRobie is available for interview before Midday today. For more information, please contact:

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