



**1 March 2007**

## **NZ Racing Board Continues to Deliver Strong Financial Growth**

The New Zealand Racing Board today announced a 7% rise in wagering turnover for the first six months of this financial year, with operating earnings of \$67.1 million, a result largely attributed to a strong wagering performance, particularly in the growth of sports and racing fixed-odds wagering.

Turnover on Racing Fixed Odds wagering increased 32% to more than \$35 million, Sports Fixed Odds wagering increased 25% to more than \$62 million, while tote wagering grew 5% to more than \$608 million on the same period last year.

Michael Stiasny, Chairman of the NZ Racing Board said the business continues to make good progress in delivering a strong financial platform for future expansion.

“We are seeing very good growth in our Racing Fixed Odds business which is to be expected for a business in the early stages of its life cycle. The growth of the Sports Fixed Odds business is more pleasing to the Board as this is reflecting a global trend and we are now beginning to realise the potential that we see in sports wagering in New Zealand.

“It is also comforting for the Board and management that while the Fixed Odds business is growing very quickly our bread and butter, the tote, has shown growth of 5%. This demonstrates our customers have an appetite for an expansion in our current offering without reducing their involvement with our traditional business,” said Michael.

Following the introduction of lower duty rates, over the past six months the New Zealand Racing Board has increased payments to the three racing Codes by \$10.1 million, lowered take-out rates on Win and Place products and further enhanced retained earnings in line with the infrastructure investment target outlined at the start of the season.

“Going forward the business will work with the industry to identify and confirm the structural investment requirements as part of the industry redevelopment programme. It is imperative that the benefits from our wagering operation are invested in the most effective areas to drive sustainable industry growth”, added Michael.

The last six months have also seen the NZ Racing Board and the racing Codes develop a fresh approach to the scheduling of the domestic racing calendar which in time will help to realise greater earnings through the internationalisation strategy.

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