

## LIVING AND LEISURE AUSTRALIA GROUP

COMPRISING:

### Living and Leisure Australia Trust

ARSN 092 701 589

(Responsible Entity: Living and Leisure Australia Management Limited  
ABN 60 101 634 315, AFSL 280985) and

### Living and Leisure Australia Limited

ABN 92 107 863 445



## ASX ANNOUNCEMENT

---

### LIVING AND LEISURE AUSTRALIA GROUP ANNUAL GENERAL MEETING & UNIT HOLDER MEETING

#### CHAIR AND CEO ADDRESS

Please find attached the Chair's address and Chief Executive Officer's presentation for the 2008 Annual General Meeting of the shareholders of Living and Leisure Australia Limited and a General Meeting of unit holders of Living and Leisure Australia Trust occurring today at 3.00pm at Melbourne Convention and Exhibition Centre, Melbourne.



**Peter A King**  
Company Secretary

27 November 2008

For further information contact:  
Carrie Mietzel 0407 790 419  
Kathy Mac Dermott 044 88 44 508

---

For further information please contact

Investor Relations: **1300 309 676**  
E-mail: [mail@livingandleisure.com.au](mailto:mail@livingandleisure.com.au)  
Website: [www.livingandleisure.com.au](http://www.livingandleisure.com.au)

REGISTRY  
Computershare Investor Services Pty Ltd  
Level 19  
307 Queen Street  
BRISBANE QLD 4000

## Chair's address to Living and Leisure Australia Group AGM

Good afternoon security holders, members of the Board, management and staff, members of the media, ladies and gentlemen. Thank you for taking time to attend our Annual General Meeting for 2008.

It is a great privilege for me to address this meeting today.

2008 was a particularly challenging year for Living and Leisure Australia however, despite the challenges, it was also a year of review, consolidation and ultimately rejuvenation for the Group.

By any standard there can be no doubt that Living and Leisure Australia has been through the most tumultuous period of its corporate life over the past 12 months. However, the Group has shown perseverance and tenacity to overcome this adversity, and we have emerged from these trials a financially-stronger company prepared to meet the challenges of the current economic slowdown.

The global volatility will also generate opportunities, and as a Group, we are implementing strategies to position us to take advantage of any which emerge in the medium term. Today, Living and Leisure Australia is a reinvigorated company. We are stronger, more robust and keenly focused on our core business of leisure.

As testament to this refreshed outlook I am pleased to advise you today the new \$28 million expansion of the Melbourne Aquarium has opened to the public. The feature of this world-class development is *Antarctica* – the first exhibit of its kind in the country. *Antarctica* is a true-to-life showcase of one of the world's final frontiers, including Australia's only showcase of the magnificent King and Gentoo Penguins in a life-like habitat. The expansion increases the footprint of the Aquarium to 6,000 square metres and provides direct pedestrian access via the high-traffic Flinders

---

For further information please contact

Investor Relations: **1300 309 676**  
E-mail: [mail@livingandleisure.com.au](mailto:mail@livingandleisure.com.au)  
Website: [www.livingandleisure.com.au](http://www.livingandleisure.com.au)

REGISTRY  
Computershare Investor Services Pty Ltd  
Level 19  
307 Queen Street  
BRISBANE QLD 4000

Street. This spectacular attraction fits perfectly with the Group's 'edutainment' growth strategy and we expect it will drive increased visitation from both domestic and international markets.

Our Chief Executive Officer Mr John Schryver will speak to you more about our operational growth initiatives shortly, however I would like to take this opportunity to congratulate the Board – new and existing members – our financiers, executive management and staff who worked tirelessly to deliver this project in time for the 2008 Christmas and school holiday period.

At our AGM 12 months ago, I spoke about the opportunities that lay ahead in 2008, our growth strategies and targets for the year. At that time, we were operating in a market unencumbered by the current economic conditions. Since early 2008 we have weathered a downturn and have been impacted significantly by the recent financial turmoil within the global economic markets.

Ensuing credit pressures lead to a significant contraction in consumer spending in the last half of the 2008 financial year and impacted our fiscal results for the year. In January, the Group's market capitalisation was affected by market reactions to our then major shareholder, Octaviar's debt strategy. However, each Living and Leisure Australia business remained strong and profitable, and with the commitment of key management personnel and the Board, we have been able to begin the process of restoring investor confidence and security holder value in Living and Leisure Australia.

In March, we announced the change of our name to Living and Leisure Australia, emphasising the Australian leadership of the Group. At this time we also went through a stage of investigation, to determine the best possible option for our security holders, investors and financiers to turn the Group around and to allow us to realise our existing growth initiatives.

---

For further information please contact

Investor Relations: **1300 309 676**  
E-mail: [mail@livingandleisure.com.au](mailto:mail@livingandleisure.com.au)  
Website: [www.livingandleisure.com.au](http://www.livingandleisure.com.au)

REGISTRY  
Computershare Investor Services Pty Ltd  
Level 19  
307 Queen Street  
BRISBANE QLD 4000

Our turning point came in August this year, when we successfully raised \$100 million through a Renounceable Entitlement Offer, to enable the Group to reduce debt levels and retain value for our existing security holders. With the support of key investors, financiers and our existing security holders we were able to refinance more than \$200 million of current debt, enter a new senior secured term and restructure current unsecured debt to stabilise the Group.

As a result of this recapitalisation, we welcomed new major shareholders, Arctic LES (Ireland) Limited, Morgan Stanley Australia Securities Limited and The Goldman Sachs Group Inc to the register. Mr Craig Carracher, Managing Partner and Chief Executive Officer of Arctic Capital Limited joined the Board along with Mr Martin Green as Mr Carracher's alternate Director. Both Mr Carracher and Mr Green are with us today and I thank them sincerely for their support.

There have been a number of significant changes to the structure of the Board and executive management this year. We understand the importance of having the right people to lead the Group in this important phase of consolidation and renewal.

Firstly, I congratulate our Chief Executive Officer Mr John Schryver, who earlier this month was appointed to the position permanently following an external and internal recruitment process. Mr Schryver's appointment ensures strength and leadership continuity, having stepped in to the acting position following the resignation of Mr Marshall Vann in February. Mr Schryver was integral to the successful recapitalisation and refinancing of Living and Leisure Australia and on behalf of the Board, I congratulate John on his appointment.

We welcome Mr Donovan Newton who was appointed Chief Financial Officer in October, taking over from Mr Peter King who acted in the position since early 2008. Mr King has returned to his position of Chief Financial Officer for Australian Alpine

Enterprises and I thank him, on behalf of the Board, for his dedication and commitment to the Group throughout this time.

As I mentioned earlier, Mr Craig Carracher has joined our Board following the recapitalisation and the resignation of Director, Mr Peter O'Brien. Mr O'Brien's contribution during his time on the Board, and in particular, during the recapitalisation was invaluable, and I sincerely thank Mr O'Brien for his commitment. Mr Warburton tenders his apologies today as he is out of the state. Mr Warburton has indicated his intention to resign in the near future and we wish to thank him today for his contribution to the Board during his term of office, in particular in his role as Chair of the Audit and Risk Committee.

Following the recapitalisation, Living and Leisure Australia conducted a 90 day operational review of all aspects of the business including operations, asset structure, branding and resources to evaluate performance, profitability and prospects. The outcome of the review is a business strategy tailored to meet the challenges of the current economic situation, to be adopted by the Group going forward. We believe this will have far reaching benefits for all security holders over the longer term.

Strategically, we are now in a strong position to actively pursue our growth strategy and to consolidate recent initiatives, which of course include today's public opening of the Melbourne Aquarium extension and *Antarctica* exhibit.

All Living and Leisure Australia businesses equally play a significant part in the growth and development of the Group. Our aquariums, ski fields and treetop walks provide avenues through which to grow our business while our 'edutainment' offering will be critical moving forward.

---

For further information please contact

Investor Relations: **1300 309 676**  
E-mail: [mail@livingandleisure.com.au](mailto:mail@livingandleisure.com.au)  
Website: [www.livingandleisure.com.au](http://www.livingandleisure.com.au)

REGISTRY  
Computershare Investor Services Pty Ltd  
Level 19  
307 Queen Street  
BRISBANE QLD 4000

Within the current market we are certain that acquisition opportunities will emerge and we are working to ensure we are well positioned to take advantage of these as they arise.

In closing, I would like to again thank the Board, the executive management team and each and every member of our staff for their incredible commitment. Since January, everyone has worked tirelessly for the security holders of the Group, believing in the value of the underlying operations of Living and Leisure Australia and our ongoing potential. With the current team leading the charge, I am confident Living and Leisure Australia will deliver on its promises and continue to provide outstanding leisure experiences globally.

I now hand over to our CEO Mr John Schryver to present the Group's operational review.

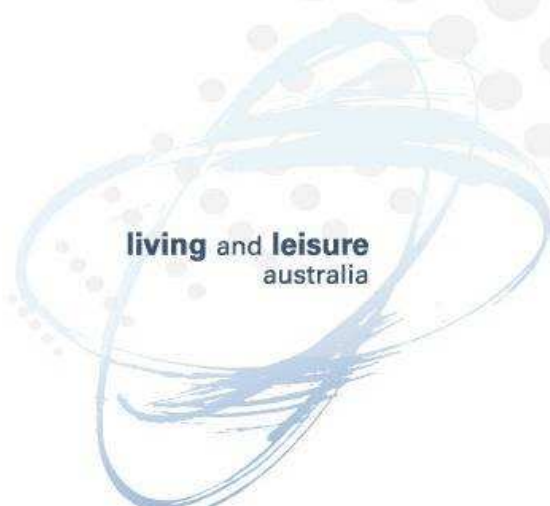
Thank you.

---

For further information please contact

Investor Relations: **1300 309 676**  
E-mail: [mail@livingandleisure.com.au](mailto:mail@livingandleisure.com.au)  
Website: [www.livingandleisure.com.au](http://www.livingandleisure.com.au)

REGISTRY  
Computershare Investor Services Pty Ltd  
Level 19  
307 Queen Street  
BRISBANE QLD 4000



# CEO Address - Annual General Meeting

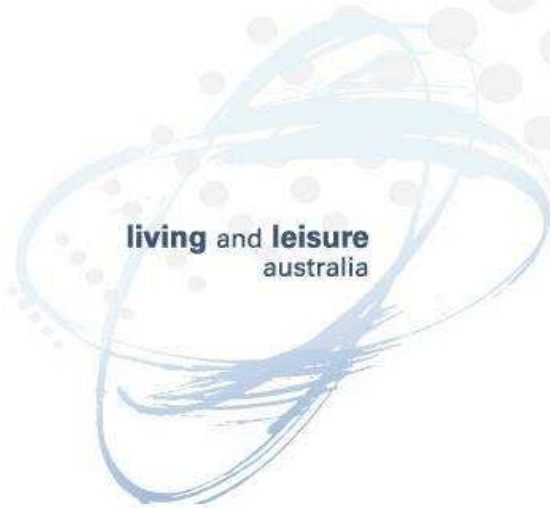
27 November 2008



# Contents

1. FY08 Results
2. Recapitalisation
3. 90 Day Operational Review
4. Growth Initiatives
5. Business Outlook





# FY08 Results



## FY08 Results

- In what was a challenging year for LLA at corporate level, the operating businesses continued to perform strongly with segment operating EBITDA of \$26.0m, ahead of the prospectus forecast
- The Company's well documented financial difficulties experienced in FY08 lead to a number of significant one-off items which contributed to a Group loss of \$74.8m in FY08
- Despite the challenges, the Group's businesses maintained a clear focus on operations and returned solid results in FY08. Excluding property developments the operating divisions achieved revenue growth of 5% and EBITDA growth of 9% compared to FY07



## FY08 Results

- Oceanis contributed \$17.1m of operating EBITDA despite some local issues at each location impacting results including ongoing political instability in Thailand
- AAE contributed \$9.9m of operating EBITDA reflecting good early season snowfalls and trading conditions in the 2007 ski season
- Treetop Walks contributed \$1.9m of operating EBITDA with the second Treetop Walk, the Illawarra Fly, opening during the year



living and leisure  
australia



# Recapitalisation



## Recapitalisation

- In August 2008, LLA successfully completed a 12.5 for 1 Renounceable Entitlement Offer that raised \$100m to recapitalise the Group
- Over \$200m of current debt was refinanced and LLA entered into a new five year senior secured and working capital facilities agreement with ANZ
- The recapitalisation allowed LLA to restructure current debt with long-term mezzanine facilities (held by majority security holders) reducing gearing from over 50% to 30%





# 90 Day Operational Review



## 90 Day Operational Review

Following the recapitalisation, an executive committee was formed to conduct a 90 day review of operations and develop an action plan

- Clear focus on core businesses - generating recurring positive cashflow
- Key senior management positions filled as a result of the review – Donovan Newton Group CFO and John Schryver Group CEO appointed
- On-going focus on marketing, branding and the customer experience
- On-going focus on optimising resources and leveraging existing assets. At all times a strong cashflow focus
- Streamline financial reporting and tracking of key performance indicators and the establishment of LLA Corporate in Melbourne
- International growth operations were refocused towards Asian growth markets and away from North America and Europe





living and leisure  
australia



# Growth Initiatives

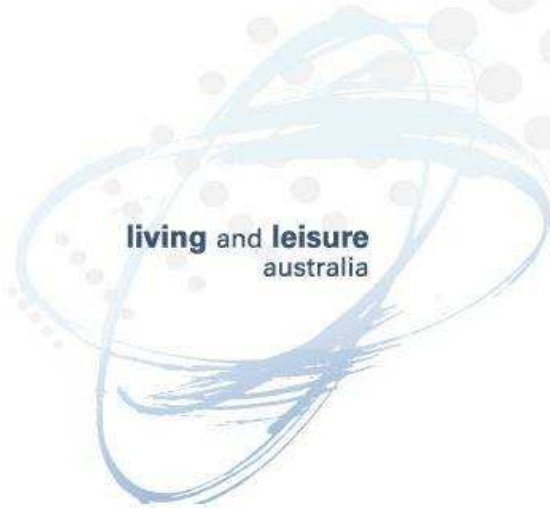


## Growth Initiatives

Completion of the recapitalisation allows LLA to continue to pursue an active growth strategy for its existing businesses and to consolidate recent growth initiatives, including:

- Melbourne Aquarium extension housing the Antarctica exhibition featuring King and Gentoo penguins. The development has been completed and opened today
- Installation of significant snow making infrastructure in key terrain at Mt Hotham and Falls Creek ski resorts
- Opening of the Illawarra Fly Treetop Walk in March 2008, which will have a full year impact for FY09
- Expanding the portfolio of Asian aquaria by looking at additional “brownfield” opportunities to leverage the operational synergies of scale





living and leisure  
australia



# Business Outlook



## Business Outlook

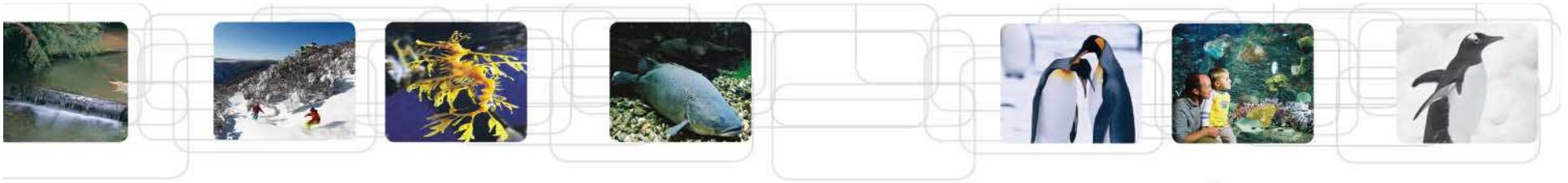
- The Melbourne Aquarium's Antarctica exhibit opened today and is expected to have a positive impact on visitation numbers for the Melbourne Aquarium
- Despite low natural snow falls early in the 2008 ski season the operating EBITDA for Q1FY09 was ahead of the same period in FY08
- On November 4, The Dubai Mall opened its doors to showcase the Dubai Aquarium and Discovery Centre. This Aquarium was built by Oceanis and is the Guinness World Record holder for the 'World's Largest Acrylic Panel' – proof that LLA is the leading builder and operator of aquaria assets





## Business Outlook

- The Group has earnings in a number of different countries and currencies. The current volatility in exchange rates has had a marginally positive impact on the overall Group
- At the end of the first quarter, operating revenue was ahead of FY08 and operating EBITDA was approximately 5% ahead of FY08
- The property development division has one notable project being undertaken at Mt Hotham which is on track for completion in 1H 2009 (all lots have been pre-sold)
- The financial performance experienced during the first quarter is expected to continue for FY09 as a whole



## LLA Today

- Strength in management, highly qualified and committed staff
- Profitable performing businesses
- Diversified cash generative businesses
- Strong recapitalised balance sheet with scope for further improvement
- Positioned to capitalise on value growth opportunities
- Clear operating business focus





# Important Notice

## Disclaimer

The Living and Leisure Australia Group comprises the Living and Leisure Australia Trust (ARSN 092 701 589) ("Trust") and Living and Leisure Australia Limited (ABN 92 107 863 445) ("Company") (collectively 'Living and Leisure Australia'). Living and Leisure Australia Management Limited (ABN 60 101 634 315) is the responsible entity of the Trust. The responsible entity holds Australian Financial Services License No. 280985.

The material contained in this presentation is for information purposes only and does not constitute an offer for securities. The information contained in this presentation is not, and should not be relied upon as, financial product advice. It has been prepared without taking into account the investment objectives, financial situation or particular needs of any particular person. Before making an investment decision, you should consider, with or without the assistance of a financial adviser, whether an investment in Living and Leisure Australia is appropriate in light of your particular investment needs, objectives and financial circumstances.

This presentation has been prepared by Living and Leisure Australia based on information available to it at the date of this presentation. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of Living and Leisure Australia, their related bodies corporate or any of their directors, employees, agents or advisers accept any liability for any loss arising from the use of this presentation or its contents or otherwise arising in connection with it, including, without limitation, any liability arising from fault or negligence on the part of Living and Leisure Australia, their related bodies corporate or any of their directors, employees, agents or advisers.

Nothing in this presentation is a promise or representation as to the future. Statements or assumptions in this presentation as to future matters may prove to be incorrect and the differences may be material. None of Living and Leisure Australia, their related bodies corporate or any of their directors, employees, agents or advisers gives any representation or warranty as to the accuracy of such statements or assumptions.

## Copyright

All information, text, material and graphics contained in this presentation ("Content") are Copyright 2008 Living and Leisure Australia. You must not reproduce, copy, modify, republish, upload to a third party, transmit, post or distribute this Content in any way except as authorised in writing by Living and Leisure Australia.

living and leisure  
australia



**living and leisure**  
australia





living and leisure  
australia



# Valid Proxy Votes

27 November 2008



## Item 2

To consider and, if thought fit, pass the following as an ordinary resolution:

**To adopt the Remuneration Report for the year ended 30 June 2008.**

IN FAVOUR	AGAINST	OPEN	ABSTAIN	INCLUDED IN THE OPEN PROXIES – CHAIRMAN'S OPEN PROXIES WHICH WILL BE VOTED IN FAVOUR
2,414,664,992	3,323,330	3,737,998	702,685	2,949,246
99.71%	0.14%	0.15%		



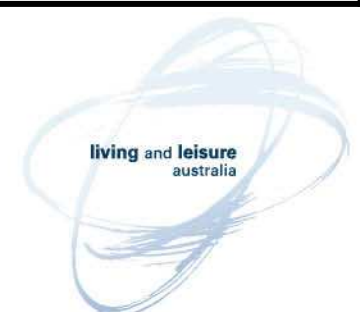


## Item 3.1

To consider and, if thought fit, pass the following as an ordinary resolution:

**That Julanne Mary Shearer, who retires in accordance with rule 11.1(d) of the Company’s constitution and being eligible offers herself for re-election, be re-elected as a director of the Company.**

IN FAVOUR	AGAINST	OPEN	ABSTAIN	INCLUDED IN THE OPEN PROXIES – CHAIRMAN’S OPEN PROXIES WHICH WILL BE VOTED IN FAVOUR
2,417,720,496	889,122	3,706,193	113,194	2,906,283
99.81%	0.04%	0.15%		



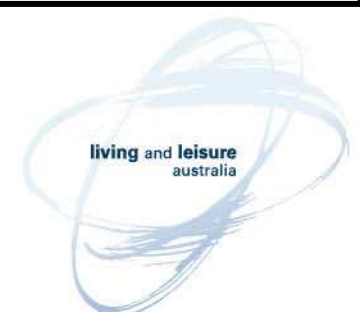


## Item 3.2

To consider and, if thought fit, pass the following as an ordinary resolution:

**That Bruce Sinclair McComish, who retires in accordance with rule 11.1(d) of the Company’s constitution and being eligible offers himself for re-election, be re-elected as a director of the Company.**

IN FAVOUR	AGAINST	OPEN	ABSTAIN	INCLUDED IN THE OPEN PROXIES – CHAIRMAN’S OPEN PROXIES WHICH WILL BE VOTED IN FAVOUR
2,417,716,727	884,978	3,704,156	123,144	2,904,246
99.81%	0.04%	0.15%		



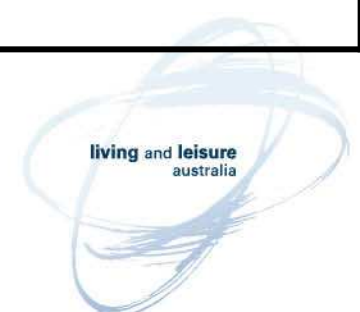


## Item 3.3

To consider and, if thought fit, pass the following as an ordinary resolution:

**That Craig Allan Carracher, who would otherwise hold office as a director of the Company only until the conclusion of the Annual General Meeting in accordance with rule 11.1(c) of the Company's constitution and being eligible offers himself for re-election, be elected as a director of the Company.**

IN FAVOUR	AGAINST	OPEN	ABSTAIN	INCLUDED IN THE OPEN PROXIES – CHAIRMAN'S OPEN PROXIES WHICH WILL BE VOTED IN FAVOUR
2,417,579,394	976,012	3,716,193	157,406	2,916,283
99.81%	0.04%	0.15%		



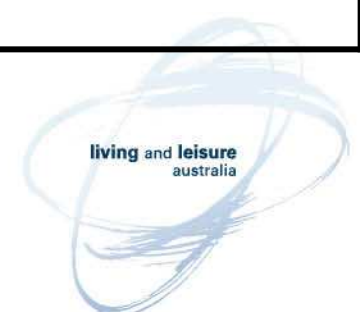


## Item 4

To consider and, if thought fit, pass the following as an ordinary resolution:

**To approve the exercise by the Responsible Entity of all rights, including without limitation all voting rights, attaching to the “Special Share” in the Company that is held by the Responsible Entity.**

IN FAVOUR	AGAINST	OPEN	ABSTAIN	INCLUDED IN THE OPEN PROXIES – CHAIRMAN’S OPEN PROXIES WHICH WILL BE VOTED IN FAVOUR
1,083,683,621	2,042,213	3,793,570	1,332,909,601	2,995,660
99.46%	0.19%	0.35%		





## Item 5

To consider and, if thought fit, pass the following as an ordinary resolution:

**That Ernst & Young be appointed as the auditor of Living and Leisure Australia Limited with effect from the financial year commencing 1 July 2008.**

IN FAVOUR	AGAINST	OPEN	ABSTAIN	INCLUDED IN THE OPEN PROXIES – CHAIRMAN'S OPEN PROXIES WHICH WILL BE VOTED IN FAVOUR
2,418,304,431	304,888	3,740,386	79,300	2,940,476
99.84%	0.01%	0.15%		

