



25 May 2017

Company Announcements Office
Australian Securities Exchange Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

**Aristocrat Leisure Limited
2017 Half Year Presentation**

Aristocrat Leisure Limited will make a presentation by teleconference at 1:00pm today in relation to the Group's 2017 half year results released to the ASX this morning.

The presentation slides are attached for immediate release to the market.

Yours sincerely

A handwritten signature in black ink, appearing to read "T Korsanos".

T Korsanos
Chief Financial Officer &
Company Secretary

ARISTOCRAT™



**RESULTS PRESENTATION
6 MONTHS TO 31 MARCH 2017**

25 MAY 2017

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The information contained in this document (including tables) has not been audited in accordance with the Australian Auditing Standards.



1 Group Results Summary

2 Operational Performance

3 Strategic Update

4 Outlook

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Group Results Summary

Results Presentation: 6 months to 31 March 2017

A\$ million	1H2017	1H2016	Change %	
Reported Result ^{1,2}				
Revenue	1,228.2	1,009.8	▲	21.6
EBITDA	498.9	372.4	▲	34.0
EBITA	433.2	312.7	▲	38.5
NPAT	249.6	159.1	▲	56.9
NPATA	272.9	183.2	▲	49.0
EPSA (fully diluted)	42.7c	28.7c	▲	48.8
Operating cash flow	401.9	284.9	▲	41.1
Other Items				
Net debt / EBITDA	0.9x	1.9x	▼	52.6
Closing net debt / (cash)	833.1	1,229.0	▼	32.2

- Group performance well ahead of prior corresponding period
- Results driven by strong performance across global portfolio, particularly growth in North America, Digital and International Class III, supported by sustained momentum in ANZ
- Strong free cash flow generation driving continued reduction in overall gearing and debt levels

Notes:

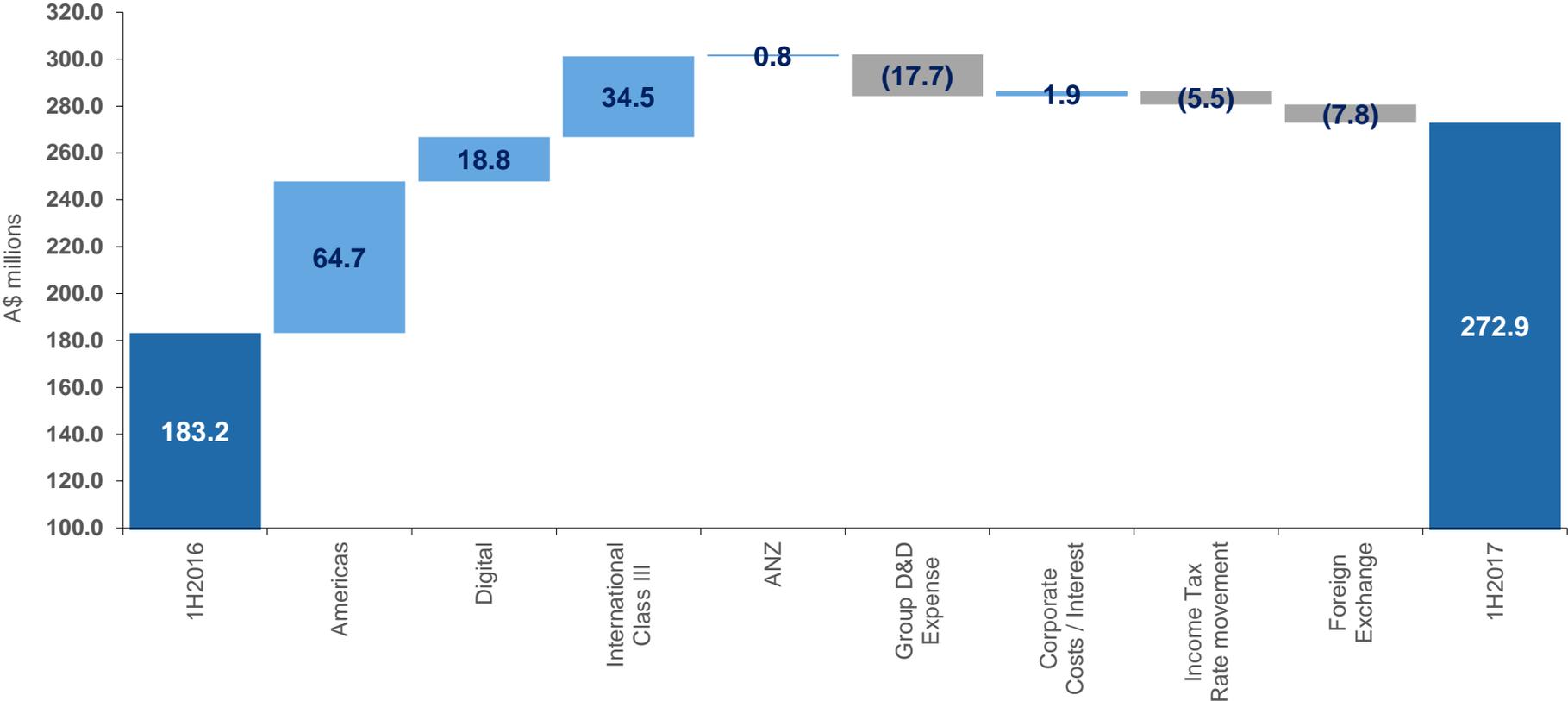
¹ Refer to Review of Operations for definitions of line items

² The information presented in this document has not been audited in accordance with the Australian Auditing Standards

Financial Performance Summary

Results Presentation: 6 months to 31 March 2017

NPATA bridge ¹



¹ Numbers above are reported on a constant currency basis and are tax effected at the prior year tax rate

Balance Sheet & Debt Profile

Results Presentation: 6 months to 31 March 2017

Balance Sheet Statistics ^{1, 2}

A\$ million	1H2017	FY2016	1H2016
Total debt	1,227.6	1,287.8	1,566.5
Net debt / (cash)	833.1	1,004.6	1,229.0
Net debt / EBITDA	0.9x	1.2x	1.9x
Interest cover	14.7x	10.7x	8.0x

Debt Profile Statistics ²

A\$ million		1H2017
Total liquidity	A\$m	502.1
Debt maturity	Years	4.4
Fixed / floating interest rate ratio	%	62

- Strong balance sheet position
- Reduced gearing levels due to sustained earnings growth and cash flow generation. US\$50m repaid during period
- Moody's credit rating upgrade to Ba1. Target investment grade credit metrics
- Further reduction in cost of borrowing achieved through repricing of TLB facility in March 2017
- Long dated debt maturity profile

Notes:

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Cash Flow

Results Presentation: 6 months to 31 March 2017

Operating Cash Flow ^{1,2}				
A\$ million	1H2017	1H2016	Change	
EBITDA	498.9	372.4		
Change in net working capital	(26.4)	(39.8)		
Interest and tax	(84.6)	(68.5)		
Other cash and non-cash movements	14.0	20.8		
Operating cash flow	401.9	284.9	▲	117.0

Key Statistics ^{1,2}				
	1H2017	1H2016	Change	
Normalised net working capital / revenue (%)	7.9	11.9	▼	(4.0)
Operating cashflow / EBITDA (%)	80.6	76.5	▲	4.1
Interim dividend per share (cps)	14.0	10.0	▲	4.0

Statutory Cash Flow ^{1,2}		
A\$ million	1H2017	1H2016
Operating cash flow	401.9	284.9
Capex	(106.3)	(104.6)
Acquisitions and divestments	(23.0)	(30.2)
Investing cash flow	(129.3)	(134.8)
Repayment of borrowings	(65.4)	(69.2)
Dividends and share payments	(95.6)	(57.3)
Financing cash flow	(161.0)	(126.5)
Net increase in cash	111.6	23.6

Notes:

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- Normalised net working capital improved on stronger revenue mix and continued focus on cash management
- Significantly higher operating cash flow and cash conversion
- Interim dividend per share of 14.0cps. 25% franked. Increase of 4.0cps (40%) versus pcp

North America Result

Results Presentation: 6 months to 31 March 2017

		1H2017	1H2016	Change	
Revenue	US\$m	514.0	419.8	▲	22.4 %
Segment profit	US\$m	266.6	198.2	▲	34.5 %
Margin	%	51.9	47.2	▲	4.7pts
Volume					
Platforms	Units	6,760	5,351	▲	26.3 %
Conversions	Units	1,276	1,257	▲	1.5 %
Price					
ASP	US\$/unit	18,901	18,101	▲	4.4 %
Gaming Operations					
Class III premium gaming operations	Units	15,320	11,613	▲	31.9 %
Class II gaming operations	Units	21,982	21,136	▲	4.0 %
Total units	Units	37,302	32,749	▲	13.9 %
Total gaming operations	US\$/day	49.68	46.88	▲	6.0 %

- Revenue and profit growth
- Strong performance across Class III premium gaming operations footprint driven by top performing content and hardware
- Class II installed base growth driven by new openings and expansions
- Continued growth in average FPD
- Outright sales improvement, with ASP also higher due to strong performance across cabinets as well as broad game portfolio

ANZ Result

Results Presentation: 6 months to 31 March 2017

		1H2017 ¹	1H2016	Change	
Revenue	A\$m	210.7	213.2	▼	(1.2)%
Segment profit	A\$m	91.9	90.7	▲	1.3 %
Margin	%	43.6	42.5	▲	1.1pts
Volume					
Platforms	Units	7,081	7,113	▼	(0.4)%
Conversions	Units	2,005	1,997	▲	0.4 %
Price					
ASP	A\$/unit	20,504	21,704	▼	(5.5)%

- Performance maintained while cycling over strong period of growth
- Continued market leadership and share gains across all key Australian jurisdictions
- Improvement in margins reflecting focus on efficiency improvements and material cost savings
- Customer uptake of *ACCESS™* model ahead of expectations

Note:
¹ Constant currency

International Class III Result

Results Presentation: 6 months to 31 March 2017

		1H2017 ¹	1H2016	Change	
Revenue	A\$m	132.5	60.8	▲	117.9 %
Segment profit	A\$m	72.5	23.0	▲	215.2 %
Margin	%	54.7	37.8	▲	16.9pts
Volume					
Platforms	Units	4,611	1,728	▲	166.8 %

- Significant lift in revenue and profit driven by concentration of new casino openings in Philippines, Malaysia and South Africa
- Solid BAU performance despite cycling over period of regulatory churn in Macau
- Margin improvement due to sales mix and improved operating leverage
- Leading share in key APAC markets

Note:

¹ Constant currency

Digital Result

Results Presentation: 6 months to 31 March 2017

		1H2017 ¹	1H2016	Change	
Revenue	A\$m	178.0	130.8	▲	36.1%
Segment profit	A\$m	77.7	50.7	▲	53.3%
Margin	%	43.7	38.8	▲	4.9pts
		1H2017 ¹	1H2016	Change	
DAUs: end of period		1,404,346	1,258,840	▲	11.6%
ARPDau: average	USD	0.49	0.40	▲	22.5%

- Significant increase in revenue and profit
- Performance driven by ongoing success of *Heart of Vegas™* and successful launch of new *Cashman Casino™* application
- Margin improvement reflecting overall operating leverage
- DAUs grew to over 1.4m at period end

Note:

¹ Constant currency

Strategic Update

Results Presentation: 6 months to 31 March 2017

Class III Stepper



Class II Video



VLT



Digital



Full Year Trading Outlook

Results Presentation: 6 months to 31 March 2017

- Expectations for FY2017 earnings consistent with guidance statement provided at the company's AGM and accompanying market announcement on 27 February
- Specifically, the company expects FY2017 NPATA in the range of 20 – 30%, compared to PCP, extending established trajectory of full year profit growth



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