



25 November 2014

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

**Aristocrat Leisure Limited**  
**2014 Results Presentation: 12 months to 30 September 2014**

Aristocrat Leisure Limited will make a presentation by teleconference at 1:00pm today in relation to the Group's 2014 results announcement (for the 12 months to 30 September 2014) 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 "A Korsanos".

A Korsanos  
Chief Financial Officer &  
Company Secretary

# Results Presentation

Aristocrat Leisure Limited

Full year results to 30 September 2014



25 November 2014

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1. Group Results Summary
2. Operational Performance
3. Outlook
4. Questions

- Transformative year for Aristocrat with deepening focus on our strategy
- Accelerating core business performance supported important strategic decisions including:
  - Acquisition of VGT
  - Sale of non-core Lotteries business
  - Adjustment to carrying value of Japan business to manage risk and reduce distractions
- Group EBIT excluding Japan grew at 18.8% in reported currency vs PCP
- Aristocrat is well placed to further accelerate execution of its successful strategy to grow core business

# Group Results Summary

Results Presentation: 12 months to 30 September 2014

A\$ million	12 months to 30 Sep 2014	12 months to 30 Sep 2013		Change %
<b>Normalised Result<sup>1</sup></b>				
Revenue	870.3	813.8	▲	6.9
EBITDA	209.8	188.1	▲	11.5
EBIT	161.3	145.3	▲	11.0
NPAT <sup>2</sup>	118.1	107.2	▲	10.2
EPS (fully diluted) <sup>3</sup>	20.7c	19.4c	▲	6.7
Total dividend per share	16.0c	14.5c	▲	10.3
Operating cash flow	158.8	98.2	▲	61.7
Net Debt / EBITDA <sup>4</sup>	(0.8x)	1.1x	▼	172.7
Closing (net debt) / cash	171.3	(208.2)	▲	na
<b>Statutory Result</b>				
Statutory Profit/(Loss) after tax	(16.4)	107.2	▼	115.3

- Revenue, EBIT and NPAT increased by 6.9%, 11.0% and 10.2% respectively
- NPAT growth at 1.3% constant currency
- Final dividend per share of 8.0 cents
- Operating cash flow increased 61.7% due to higher revenues and cash management initiatives
- Closing cash position of \$171m due to capital raising for acquisition of VGT

<sup>1</sup> Refer to slide 7 'Reconciliation of Normalised PAT to Statutory Operating Loss'

<sup>2</sup> Operating profit after tax and non-controlling interest

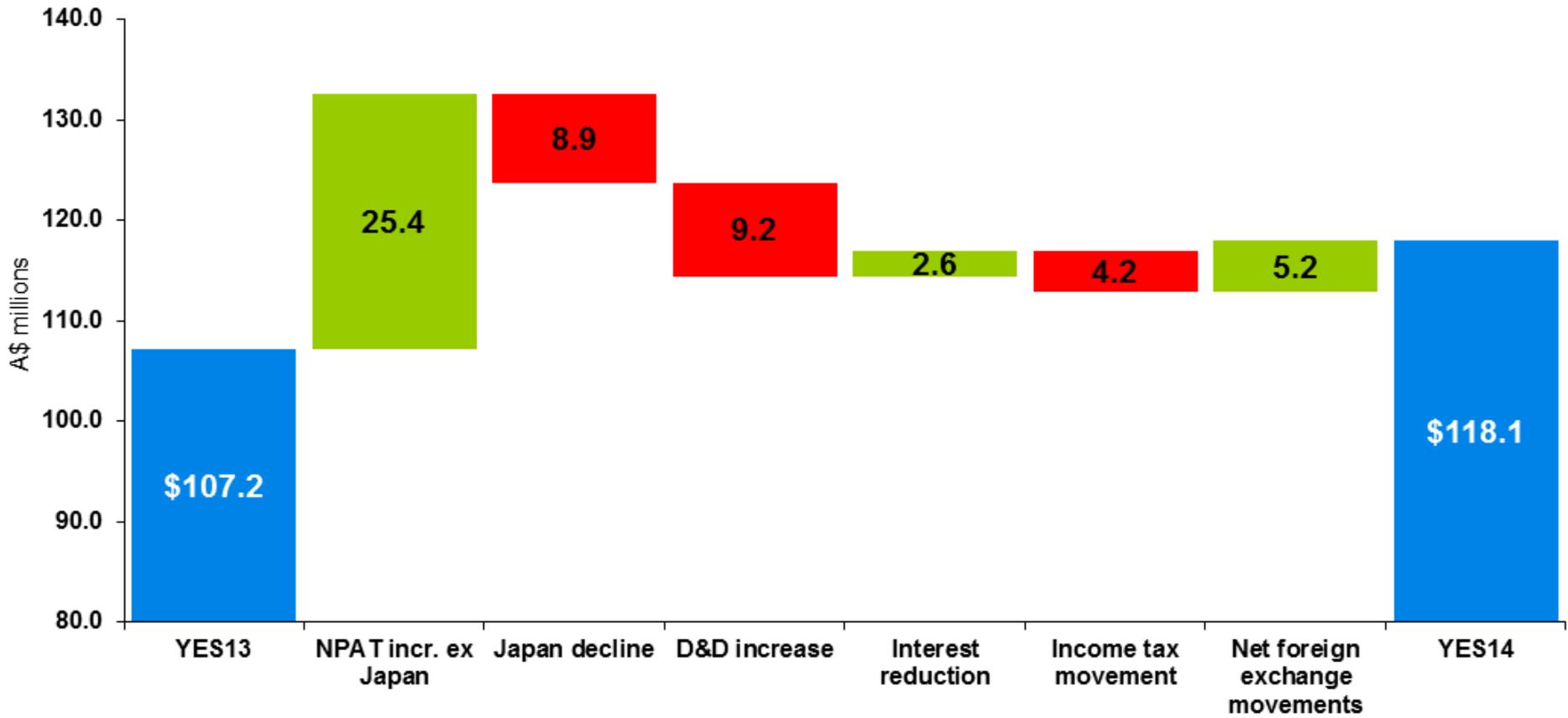
<sup>3</sup> Earnings per share

<sup>4</sup> Bank EBITDA

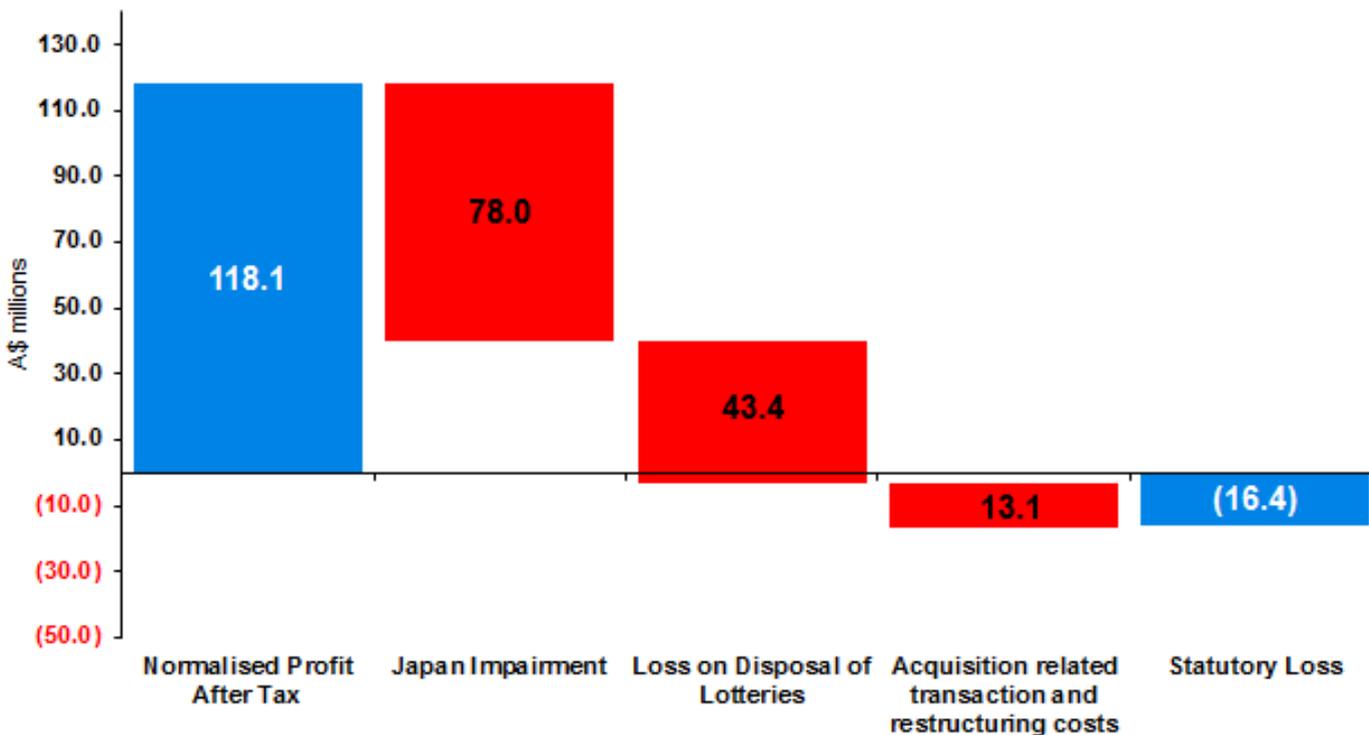
The information presented in this document has not been audited in accordance with the Australian Auditing Standards.

# Financial Performance Summary (Normalised PAT)

Results Presentation: 12 months to 30 September 2014



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



- Impairment of valuation of Japan business driven by uncertainty in regulatory environment
- Sale of Lotteries 29 September 2014: loss represents book value net of \$13.5m cash proceeds
- VGT acquisition related transaction and restructuring costs
- 2015 will also include transaction related expenses such as adviser success fees and integration expenses

		12 months to 30 Sep 2014	12 months to 30 Sep 2013		Change
Operating cash flow	A\$m	158.8	98.2	▲	60.6
Operating cash flow / profit after tax	%	134.5	91.6	▲	42.9pts
Working capital / revenue	%	23.2	26.2	▼	3.0pts
(Net debt) / Cash	A\$m	171.3	(208.2)	▲	na
Net Debt / EBITDA - Reported <sup>1</sup>	x	(0.8)	1.1	▼	1.9
Net Debt / EBITDA - Pro Forma <sup>2</sup>	x	3.1	1.1	▲	2.0
Interest cover	x	16.9	12.4	▲	4.5
Cash flow per share (fully diluted)	cps	27.8	17.8	▲	10.0
Dividends	cps	16.0	14.5	▲	1.5

- Significant improvement in operating cash flows and conversion
- Stronger operating cash flows invested in operations along with higher dividends
- Final dividend authorised of 8.0cps, 76% payout ratio
- Pro forma gearing estimated at 3.1x, significantly below 3.6x referenced on announcement of acquisition in July

<sup>1</sup> Bank EBITDA

<sup>2</sup> Consolidated EBITDA for the new group according to the definition referenced under the new credit agreement

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## Global

- Demonstrable progress against growth strategy, with portfolio gaps filled rapidly
- High game quality driving positive share performance across key markets and segments

## North America

- Revenue and profit increased, with improved margins, reflecting strong new product
- Gaming operations footprint increased 20.0% vs PCP, with 10.5% higher fee per day to US\$46
- Market declined circa 11%, however ship share increased, limiting decline in outright sales to 7.2%



## Australia

- Substantial progress in closing portfolio gaps with positive impact on share performance across NSW and QLD

## Asia Pacific

- Less expansion activity across the region
- Revenue growth excluding new openings and expansions
- Maintained number one market share position

## Digital

- Continued growth in the *Heart of Vegas*™ since launch in Sept 2013
- Launched *Heart of Vegas*™ on iPad in July 2014



		12 months to 30 Sep 2014	12 months to 30 Sep 2013	Change %
Revenue	US\$m	388.8	383.6	▲ 1.4
Segment Profit	US\$m	149.9	139.2	▲ 7.7
Margin	%	38.6	36.3	▲ 2.3pts
<b>Volume</b>				
- Platforms	Units	9,419	10,146	▼ (7.2)
- Conversions	Units	5,568	6,216	▼ (10.4)
<b>Price</b>				
- Av. selling price	US\$/unit	15,289	15,194	▲ 0.6
<b>Gaming Operations</b>				
	Unit	12 months to 30 Sep 2014	12 months to 30 Sep 2013	Change %
- Install base	Units	9,071	7,562	▲ 20.0
- Av. fee per day	US\$/unit	46.02	41.64	▲ 10.5
<b>Systems</b>				
	Sites	12 months to 30 Sep 2014	12 months to 30 Sep 2013	Change %
- Install base	Oasis™ sites	291	294	▼ (1.0)

- Profit and margin growth
- Record gaming operations footprint and market-leading growth rates
- FPD increased 10.5% vs. PCP
- Outright sale market declined circa 11%
- Ship share increased, limiting unit sales decline to 7.2%
- Systems business continues to perform well. New strategic alliances bedded down



## Gaming Operations



## Outright Sales



## Systems



Bonusing

Digital

Media & Loyalty



Oasis OneLink

		12 months to 30 Sep 2014	12 months to 30 Sep 2013		Change %
Revenue	A\$m	210.6	179.7	▲	17.2
Segment Profit	A\$m	87.1	74.2	▲	17.4
Margin	%	41.4	41.3	▲	0.1pts
<b>Volume</b>					
- Platforms	Units	6,966	5,481	▲	27.1
- Conversions	Units	3,477	2,886	▲	20.5
<b>Price</b>					
- Av. selling price	A\$/unit	17,300	16,590	▲	4.3

- Significant share gains in flat Australian market
- Revenue and profit growth 17.2% and 17.4% respectively
- Extended market leadership in NSW and regained #1 position in QLD
- Broader portfolio of games across all segments
- Successful launch of PC Sapphire and new Helix cabinet in SQ



- International Class III revenues fell 18.4% and profit decreased by 26.6% over PCP due to lower Asia Pacific revenues and soft European market
- Lower expansion activity in Asia Pacific with some regulatory churn in Macau
- One game released in Japan, selling 3.7k units
- Lotteries business sold on 29 September 2014

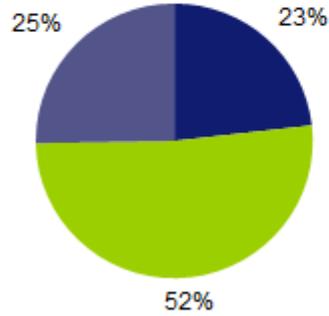


- Appointment of Chief Digital Officer based in London
- Aristocrat Digital revenues increased almost 300% to \$50.3 million
- Digital segment EBITDA increased to \$17.1 million
- Overall ARPDAU was US 26c at period end
- Record 800k Daily Active Users
- *Heart of Vegas*™
  - Monetising ahead of total business at US 38c
  - Awarded one of Facebook's Top New Games of 2013
  - Successful launch on iPad

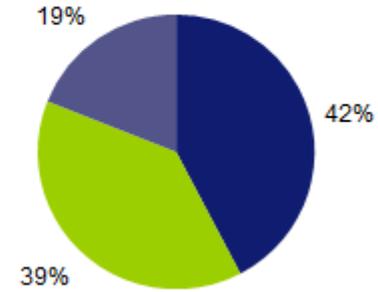


## 2014 operational revenue breakdown

Aristocrat standalone



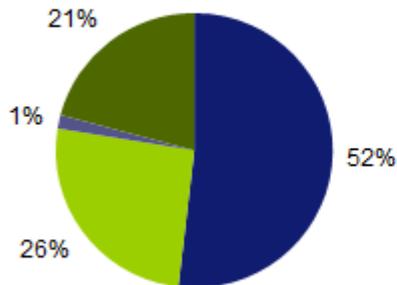
Aristocrat pro forma



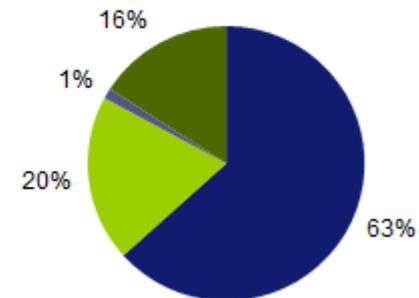
■ Recurring Revenue ■ Product Sales ■ Other

## 2014 geographic revenue breakdown

Aristocrat standalone



Aristocrat pro forma



■ North America ■ Australia & New Zealand ■ Japan ■ Rest of World



- Continued growth in recurring revenue segments supported by D&D investment
  - Benefits of larger and growing Class III Gaming Operations install base
  - Higher Digital monetisation and DAU base; launch of additional mobile products
  - Step change in recurring revenue scale and stability of cash flows from VGT contribution
- Continued share gains in US and Australia in the outright sale market restricted by market decline in North America (from circa 66,000 to 55,000 units)
- Some improved Macau churn in Asia Pacific expectations
- Complexity of regulatory change may impact game releases in Japan
- Relatively high leverage year due to VGT acquisition with 5.5% effective interest cost
- Assumed average \$A/USD exchange rate of 90 US cents

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		12 months to 30 Sep 2014	12 months to 30 Sep 2013	Change	
<b>Revenue</b>					
North America	US\$m	388.8	383.6	5.2	1.4 %
Latin America	US\$m	29.9	31.3	(1.4)	(4.5)%
<b>Total</b>	<b>US\$m</b>	<b>418.7</b>	<b>414.9</b>	<b>3.8</b>	<b>0.9 %</b>
<b>Segment Profit</b>					
North America	US\$m	149.9	139.2	10.7	7.7 %
Latin America	US\$m	10.1	11.9	(1.8)	(15.1)%
<b>Total</b>	<b>US\$m</b>	<b>160.0</b>	<b>151.1</b>	<b>8.9</b>	<b>5.9 %</b>
<b>Margin</b>	<b>%</b>	<b>38.2</b>	<b>36.4</b>		<b>1.8pts</b>

## North America

### Volume

- Platforms	Units	9,419	10,146	(727)	(7.2)%
- Conversions	Units	5,568	6,216	(648)	(10.4)%

### Price

- Av. selling price	US\$/unit	15,289	15,194	95	0.6 %
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### Gaming Operations

- Install base	Units	9,071	7,562	1,509	20.0 %
- Av. fee per day	US\$/unit	46.02	41.64	4.38	10.5 %

## Latin America

### Volume

- Platforms	Units	1,800	2,765	(965)	(34.9)%
- Conversions	Units	-	117	(117)	(100.0)%

### Price

- Av. selling price	US\$/unit	12,672	9,230	3,442	37.3 %
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# Australia and New Zealand Results

Results Presentation: 12 months to 30 September 2014

		12 months to 30 Sep 2014 <sup>1</sup>	12 months to 30 Sep 2013	Change	
<b>Revenue</b>					
Australia	A\$m	210.6	179.7	30.9	17.2 %
New Zealand	A\$m	11.9	12.6	(0.7)	(5.6)%
<b>Total</b>	<b>A\$m</b>	<b>222.5</b>	<b>192.3</b>	<b>30.2</b>	<b>15.7 %</b>
<b>Segment Profit</b>					
Australia	A\$m	87.1	74.2	12.9	17.4 %
New Zealand	A\$m	2.3	2.8	(0.5)	(17.9)%
<b>Total</b>	<b>A\$m</b>	<b>89.4</b>	<b>77.0</b>	<b>12.4</b>	<b>16.1 %</b>
<b>Margin</b>	<b>%</b>	<b>40.2</b>	<b>40.0</b>		<b>0.2pts</b>

<sup>1</sup> Constant currency

## Australia

### Volume

- Platforms	Units	6,966	5,481	1,485	27.1 %
- Conversions	Units	3,477	2,886	591	20.5 %

### Price

- Av. selling price	A\$/unit	17,300	16,590	710	4.3 %
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## New Zealand

### Volume

- Platforms	Units	371	363	8	2.2 %
- Conversions	Units	414	413	1	0.2 %

### Price

- Av. selling price	NZ\$/unit	19,795	19,955	(160)	(0.8)%
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		12 months to 30 Sep 2014 <sup>1</sup>	12 months to 30 Sep 2013	Change	
<b>Revenue</b>					
International - Class III	A\$m	98.5	120.7	(22.2)	(18.4)%
Japan - Pachislot	A\$m	15.6	55.6	(40.0)	(71.9)%
Lotteries & Digital	A\$m	64.9	23.3	41.6	178.0 %
<b>Total</b>	<b>A\$m</b>	<b>179.0</b>	<b>199.6</b>	<b>(20.6)</b>	<b>(10.3)%</b>
<b>Segment Profit</b>					
International - Class III	A\$m	39.1	53.3	(14.2)	(26.6)%
Japan - Pachislot	A\$m	(4.5)	9.8	(14.3)	(145.9)%
Lotteries & Digital	A\$m	14.9	(3.1)	18.0	(580.6)%
<b>Total</b>	<b>A\$m</b>	<b>49.5</b>	<b>60.0</b>	<b>(10.5)</b>	<b>(17.5)%</b>
<b>Margin</b>	<b>%</b>	<b>27.7</b>	<b>30.1</b>		<b>(2.4)pts</b>

<sup>1</sup> Constant currency

<b>Volume</b>					
- Class III Platforms	Units	4,935	6,269	(1,334)	(21.3)%
- Pachislots	Units	3,665	14,458	(10,793)	(74.7)%
<b>Price</b>					
- Av. Pachislot selling price	¥/unit	345,339	346,395	(1,056)	(0.3)%