

Results Presentation

Aristocrat Leisure Limited

6 months to 31 March 2015



26 May 2015

ARISTOCRAT

Disclaimer

Results Presentation: 6 months to 31 March 2015

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1 Group Results Summary

2 Operational Performance

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Group Results Summary

Results Presentation: 6 months to 31 March 2015

A\$ million	6 months to 31 Mar 2015	6 months to 31 Mar 2014		Change %
<u>Normalised Result</u> ¹				
Revenue	685.0	394.7	▲	73.5
EBITDA	243.4	110.0	▲	121.3
EBITA	199.3	86.6	▲	130.1
NPATA	110.1	66.0	▲	66.8
EPSA (fully diluted)	17.3c	11.9c	▲	45.4
Total dividend per share	8.0c	8.0c		-
Operating cash flow	101.4	61.0	▲	66.2
Normalised operating cash flow	131.5	68.7	▲	91.4
Net debt / EBITDA	2.9x	1.2x	▲	n/a
Closing net debt	1,476.9	233.7	▲	n/a
<u>Statutory Result</u>				
Statutory profit after tax	77.6	57.4	▲	35.2
NPATA	98.2	58.3	▲	68.4

- Group performance well ahead of PCP
- Results reflect outstanding growth in Australia, addition of VGT, strong performance in Digital and Class III premium gaming operations
- Operating cash flow up due to higher revenues and cash management

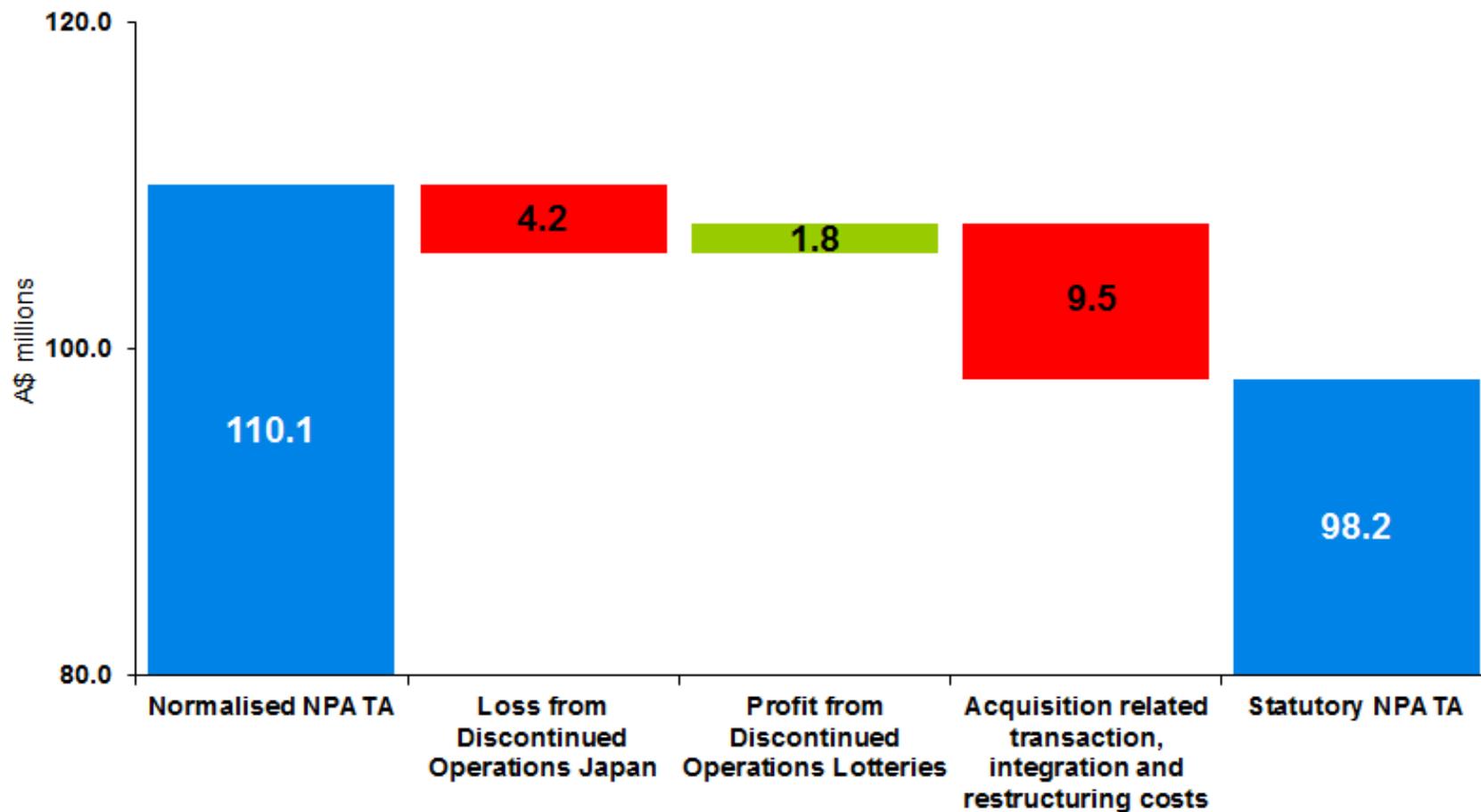
Notes:

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

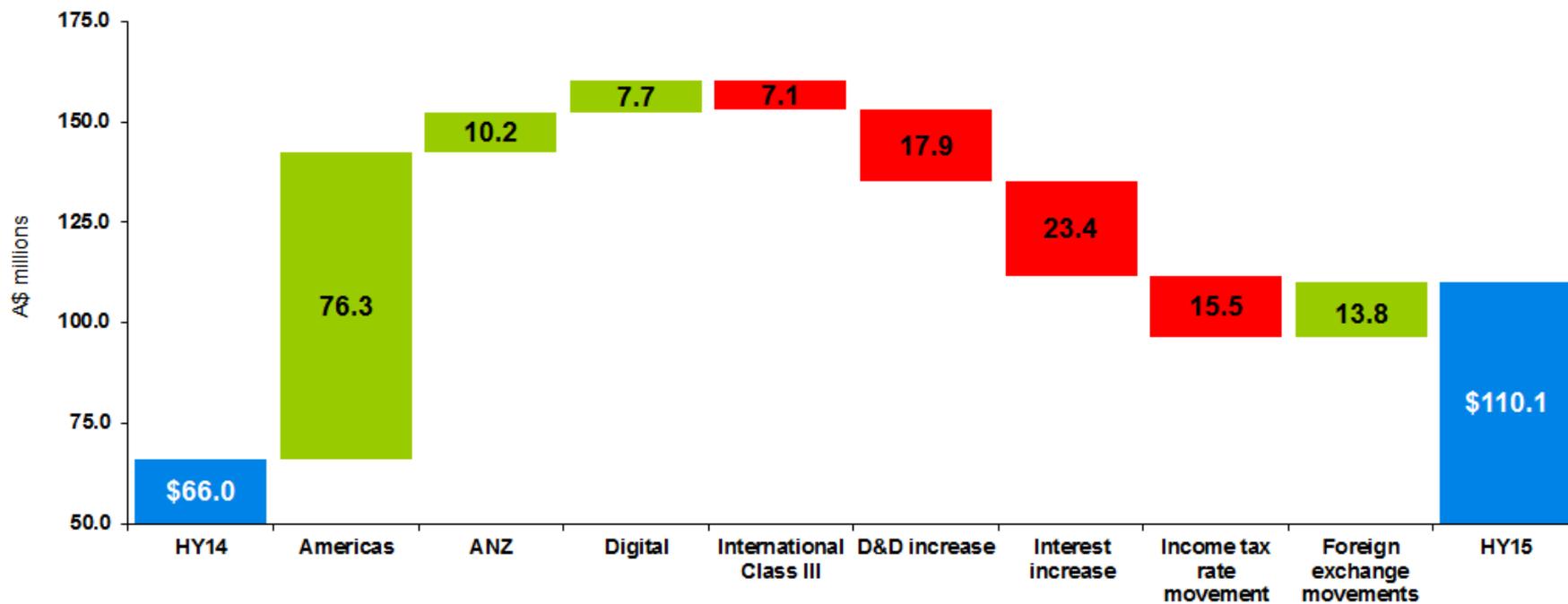
Reconciliation of Normalised NPATA to Statutory NPATA

Results Presentation: 6 months to 31 March 2015



Financial Performance Summary

Results Presentation: 6 months to 31 March 2015



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

Capital Management

Results Presentation: 6 months to 31 March 2015

		6 months to 31 Mar 2015	6 months to 31 Mar 2014		Change
Operating cash flow	A\$m	101.4	61.0	▲	40.4
Normalised operating cash flow	A\$m	131.5	68.7	▲	62.8
Normalised operating cash flow / NPATA	%	119.4	104.1	▲	15.3pts
Net working capital / revenue	%	20.7	28.8	▼	(8.1)pts
Net debt	A\$m	1,476.9	233.7	▲	n/a
Net debt / EBITDA ¹	x	2.9	1.2	▲	1.7
Interest cover	x	7.0	14.4	▼	(7.4)
Total dividend per share	cps	8.0	8.0		-

- Balance sheet significantly influenced by VGT acquisition
- Improved operating cash flow and cash conversion before significant items
- Working capital as a % of revenue down on improved revenue mix
- Gearing levels ahead of expectations due to strong earnings

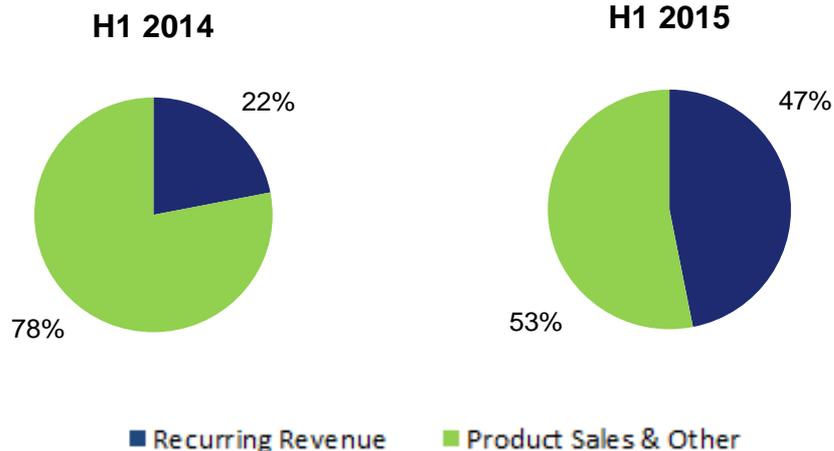
Notes:
¹ Gearing calculated as net debt divided by EBITDA as defined in Aristocrat's loan facility agreements
² The information presented in this document has not been audited in accordance with the Australian Auditing Standards

Operational Performance Highlights

Results Presentation: 6 months to 31 March 2015

Global

- Continued to close portfolio gaps and increase quality with great games, cabinets & products
- Improved marketing and sales execution
- Focused on outstanding talent and high performance culture
- Significant progress against strategy, including addressing legacy distractions and driving recurring revenues



Americas

- Significant share & profit growth in Class III premium gaming operations
- VGT average FPD increased on steady installed base and improved mix
- Share gains and ASP lift in outright sales despite contracting market



Australia and NZ

- Outstanding performance demonstrating underlying step-change in portfolio and sales execution
- Revenue, profit and ASP all increased, with impressive share gains across all markets

International Class III

- Strong sales into new openings on Cotai strip, offset by lower churn across Asia Pacific
- Weak economic conditions and performance in EMEA drove lower overall segment result

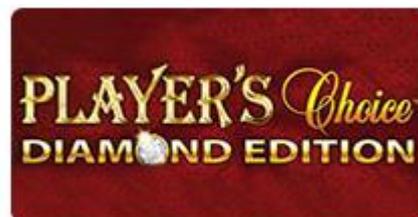
Digital

- Performance in social gaming business accelerated
- ARPDAU¹ and DAUs² higher than PCP

Notes:

¹ Average Revenue Per Daily Active User

² Daily Active Users



Americas Result

Results Presentation: 6 months to 31 March 2015

		6 months to 31 Mar 2015	6 months to 31 Mar 2014	Change	
Revenue					
North America	US\$m	333.2	190.3	▲	75.1 %
Latin America	US\$m	16.5	11.7	▲	41.0 %
Total	US\$m	349.7	202.0	▲	73.1 %
Segment Profit					
North America	US\$m	157.5	72.4	▲	117.5 %
Latin America	US\$m	4.3	3.8	▲	13.2 %
Total	US\$m	161.8	76.2	▲	112.3 %
Margin	%	46.3	37.7	▲	8.6pts
North America					
Volume					
- Platforms	Units	4,214	4,979	▼	(15.4)%
- Conversions	Units	1,948	1,740	▲	12.0 %
Price					
- Av. selling price	US\$/unit	16,462	15,542	▲	5.9 %
Gaming Operations					
	Unit	6 months to 31 Mar 2014	6 months to 31 Mar 2014	Change	
- Class III premium gaming operations	Units	9,204	8,207	▲	12.1 %
- Class II gaming operations	Units	20,381	n/a		n/a
Total units	Units	29,585	8,207	▲	260.5 %
Class III premium gaming operations	US\$/day	50.15	43.27	▲	15.9 %
Class II gaming operations	US\$/day	38.64	n/a		n/a
Total gaming operations	US\$/day	42.20	n/a		n/a
Systems					
	Sites	31 Mar 2015	31 Mar 2014	Change	
Install base (closing)	Oasis™ sites	289	294	▼	(1.7)%

- Revenue and profit increased
- VGT improved FPD and mix
- Class III premium gaming operations grew footprint and FPD
- Outright sales share grew and ASP increased. Contracting market drove unit sales decline
- Systems revenues up, slight decline in installed base due to closures and consolidations



Americas Result—VGT

Results Presentation: 6 months to 31 March 2015

		20 Oct 2014 to 31 Mar 2015	20 Oct 2013 to 31 Mar 2014		Change
Revenue	US\$m	127.9	115.8	▲	10.4 %
EBITDA	US\$m	86.2	75.1	▲	14.8 %
Margin	%	67.4	64.9	▲	2.5pts
Class II gaming operations	Units	20,381	20,390	▼	(0.0)%
Class II gaming operations	US\$/day	38.64	34.79	▲	11.1 %

- Revenue and EBITDA higher
- FPD growth reflecting revenue maximisation initiatives
- Installed base steady with improved mix going forward

Note:

¹ VGT disclosures shown above include pro forma values for prior corresponding period



Australia & New Zealand Result

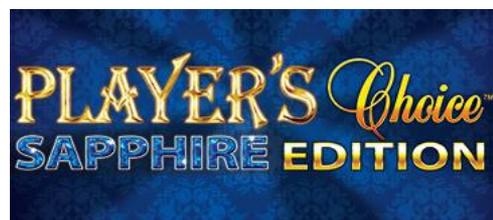
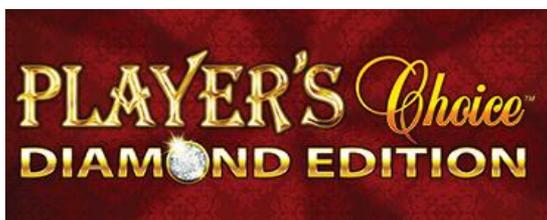
Results Presentation: 6 months to 31 March 2015

		6 months to 31 Mar 2015 ¹	6 months to 31 Mar 2014		Change
Revenue	A\$m	130.0	91.0	▲	42.9 %
Segment Profit	A\$m	46.3	33.7	▲	37.4 %
Margin	%	35.6	37.0	▼	(1.4)pts
Volume					
- Platforms	Units	4,335	2,807	▲	54.4 %
- Conversions	Units	1,175	1,629	▼	(27.9)%
Price					
- Av. selling price	A\$/unit	19,797	16,054	▲	23.3 %

- Step-change in game & cabinet portfolios
- Revenue and profit significantly higher
- Impressive share gains across key markets
- ASP increased, margins moderated slightly

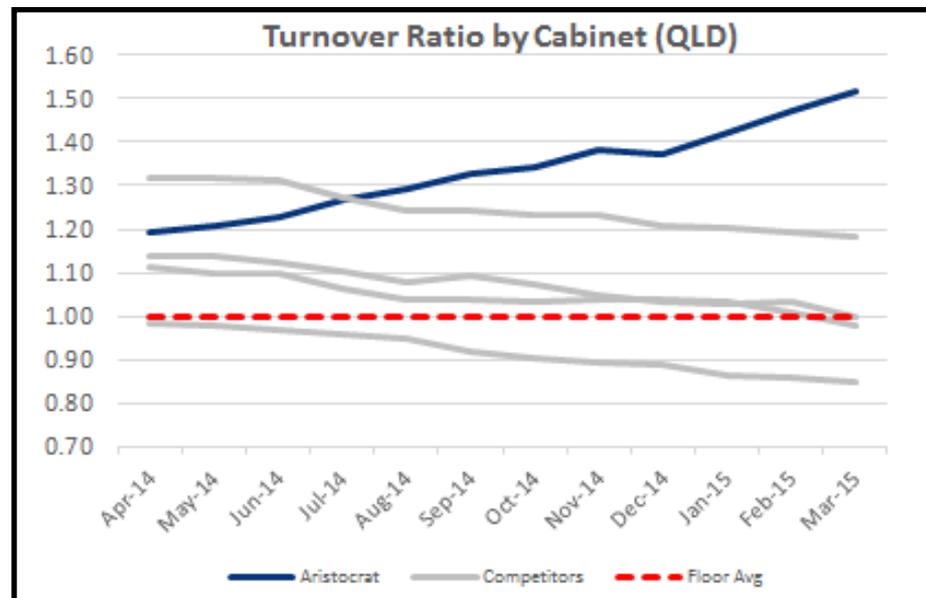
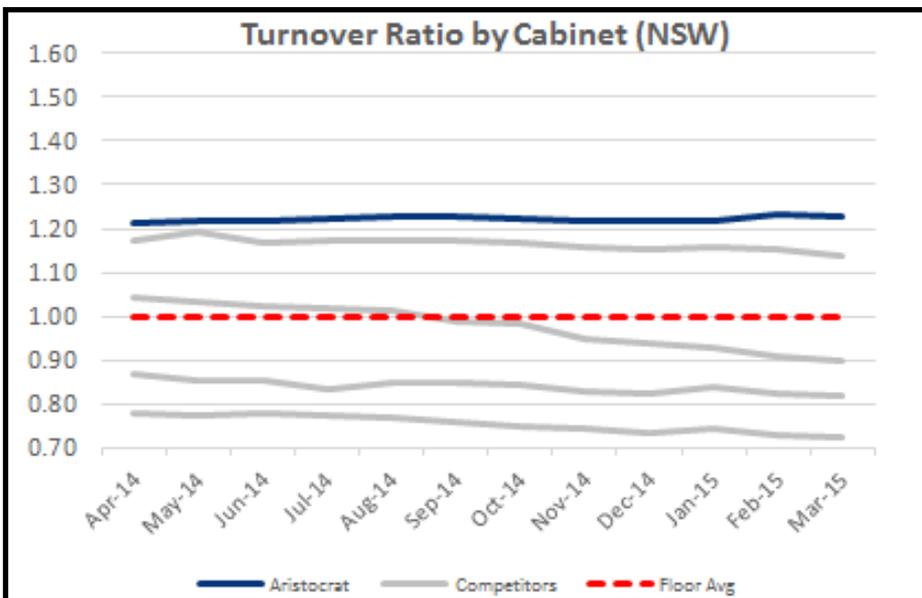
Note:

¹Constant currency



Australian Product Performance

Results Presentation: 6 months to 31 March 2015



Source: Maxgaming

- Positive, accelerating trend in portfolio performance, particularly in Queensland
- Portfolio gaps closed, with releases targeting priority, fast-growing segments
- Top performing cabinet (Helix™) supported by Viridian Widescreen™

International Class III Result

Results Presentation: 6 months to 31 March 2015

		6 months to 31 Mar 2015 ¹	6 months to 31 Mar 2014		Change
Revenue	A\$m	52.9	62.6	▼	(15.5)%
Segment Profit	A\$m	20.0	28.9	▼	(30.8)%
Margin	%	37.9	46.2	▼	(8.3)pts
Volume					
- Platforms	Units	2,149	3,182	▼	(32.5)%

Note:

¹ Constant currency

- Revenues and profit down, due to weak conditions and performance in EMEA
- Strong sales into new Macau openings
- Market-leading share maintained across Asia Pacific, but churn levels slow

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Digital Result

Results Presentation: 6 months to 31 March 2015

		6 months to 31 Mar 2015 ¹	6 months to 31 Mar 2014		Change
Revenue	A\$m	51.1	18.4	▲	177.7 %
Segment Profit	A\$m	15.7	6.2	▲	153.2 %
Margin	%	30.7	33.7	▼	(3.0)pts
		6 months to 31 Mar 2015	6 months to 31 Mar 2014 ²		Change
DAUs: average		716,672	344,316	▲	108.1%
DAUs: end of the period		772,616	410,864	▲	88.0%
ARPDau: average (US\$)		0.35	0.20	▲	75.0%
ARPDau: end of period (US\$)		0.42	0.25	▲	68.0%

Notes:

¹ Constant currency

² DAUs and ARPDau for the current period and prior corresponding period have been restated to exclude legacy products for which a third party license expired in December 2014

- Revenue and segment profit up almost three-fold
- Higher monetisation and ARPDau driven by iOS launches, new features and marketing initiatives
- DAUs increased, margins moderated due to higher user acquisition spend
- Product Madness named Social Slots Operator of the Year in recent EGR awards



Full Year Trading Outlook

Results Presentation: 6 months to 31 March 2015

- Expect H2 NPATA broadly in line with the first half, maintaining our established trajectory of full year profit growth
- FY2015 result will be driven by improved operational performance across key markets and segments, constrained by a smaller US outright sales market, continued low churn in Asia and higher D&D investment as we position for further growth in 2016

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