



21 February 2019

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

Dear Sir/Madam

**Aristocrat Leisure Limited – 2019 Annual General Meeting**

In accordance with Listing Rule 3.13.3, please find attached the Chairman's address.

Yours sincerely

A handwritten signature in blue ink, appearing to read "RH Bell".

RH Bell  
Corporate General Counsel & Company Secretary  
Aristocrat Leisure Limited

**ARISTOCRAT LEISURE LIMITED**  
**2019 ANNUAL GENERAL MEETING**

**Chairman's address – Dr Ian Blackburne**

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I am pleased to report that over the course of the financial year to 30 September 2018, Aristocrat delivered strong organic and inorganic growth, further extending the business' trajectory of consistent and high quality growth, measured by NPATA performance. NPATA refers to net profit after tax before acquired amortisation.

Profit grew 34% to another record result of \$729.6 million. At that same time, Group revenue increased 48% in reported terms, to an all-time high of over \$3.6 billion.

This result reflected the positive operational performance delivered across the Group's increasingly global portfolio. It featured further gains in the Americas and in Australian New Zealand markets, together with sustained organic growth in Product Madness, supported by the performance of our most recently acquired digital businesses, Plarium and Big Fish Games.

Aristocrat's growth momentum, generation of strong free cash flows and capacity to continue to reduce gearing levels has allowed the Board to deliver a 35% increase in dividends to 46 cents per share in 2018, consistent with our commitment to progressively increase dividends over time.

The Board's orderly renewal process also continued over the course of the year, with my retirement at the conclusion of today's meeting, and the Board's election of my colleague Neil Chatfield to succeed me as Chairman of the Board of Aristocrat Leisure at that time. Neil's appointment reflects his extensive experience as an Executive and Non-Executive Director of a number of large and complex Australian corporates, his particular experience as a Chairman, the significant contribution he has made since joining Aristocrat in 2017 and the respect and admiration of his colleagues.

I have every confidence that under Neil's leadership, and with the ongoing oversight of the Board, Aristocrat will continue to grow and deliver sustained performance for shareholders and all stakeholders.

As this is the last time I will address you as Chairman, I want to take the opportunity to reflect on our journey over the past 10 years, as we have taken an underperforming business, and forged a high quality commercialisation platform capable of delivering long term growth for our shareholders.

We began of course with turning around our Class III operations, by investing in great talent, technology and capability, and by overhauling our front-end execution. A deliberate decision to focus on premium gaming operations drove recurring revenue, reduced performance volatility, and later led to our move into Class II through our acquisition of VGT.

As shareholders are aware, VGT's 100% recurring revenue business, underpinned by long term customer relationships, further lifted our recurring revenue base while bringing more scale and diversity to our land-based portfolio in North America, as well as many complementary capabilities.

In more recent years, we further expanded our land-based portfolio, particularly in the largest market in North America, by investing to enter a range of strategic adjacencies including the Class II video and Class III mechanical segments. Today, Aristocrat has the portfolio breadth to compete across all major land-based

gaming segments in North America, and we are fully focused on continuing to grow our core both in North America and other key regions globally.

At the same time, we have added further diversity to our growing platform through a series of strategic moves into digital segments. Our initial focus was on social casino, with the acquisition of Product Madness, with an aim to access a new channel through which to leverage our industry leading land-based game content, and drive incremental growth. The strategy was successfully proven out, with Product Madness moving into and maintaining a top 5 market leadership position in its own right within the Social Casino games segment.

Building on this success, Aristocrat completed two further digital acquisitions of Plarium Global and Big Fish Games respectively. These acquisitions have given us significant scale in our core segment of digital social casino, where we now have the #2 share globally, together with footholds in new, larger and higher growth social gaming genres.

Moreover, from a strategic perspective, the acquisitions have also brought critical new capabilities to our business that will underpin success in digital going forward. Examples include data analytics and meta-game capability, as well as strong expertise in the use of third party studios and digital innovation. While having two significant acquisitions land relatively quickly is a lot for a business to absorb, the Board has a responsibility to act on the best quality strategic opportunities as and when they crystallise. It was the Board's view that the business was capable of absorbing the digital acquisitions while driving growth across the whole business, and certainly our results for the 2018 fiscal year bear out this confidence.

We continue to see much potential in our digital business, and regard it as a quality contributor to the overall diversity, long term growth and performance sustainability of our product platform. At the same time, fully funding land-based operations through strong investment in D&D will continue to be an absolute priority. I want to assure shareholders that there is no chance of Aristocrat losing sight of our regulated business or of becoming complacent as to its future, even as we broaden our platform and continue to investigate new sources of growth.

I would like to put on record what a great privilege it has been to be part of the Aristocrat Board over the last ten years throughout this journey; nine of those years as Chairman.

The business has been bold and courageous to forge a truly global footprint that stretches across a broad range of gaming segments and services, together with a diversified digital social gaming business that delights millions of players every day. Around two-thirds of total Group revenues now come from recurring sources. This compares to a decade ago, when only around 10% of Group revenues were recurring in nature, and performance volatility was a significant challenge for the business and shareholders alike.

Aristocrat's successful turnaround has delivered higher quality profit growth and compelling total returns, with an impressive 35.6% return on shareholders' equity for the 12 months to 30 September 2018. Aristocrat's market capitalisation ranked in the top 25 companies on the ASX top 100 over the reporting period, compared to a ranking of around 80 in June 2009.

Of course, significant achievements always reflect effective partnerships, and to this end I would like to recognise and thank shareholders for their confidence and support throughout my tenure. I would also like to thank my Board colleagues, both current and retired, for their contribution to what continues to be an effective leadership team at the top. I express my enormous appreciation to the CEOs of my time, Trevor

Croker and his predecessor Jamie Odell, their respective management teams and all Aristocrat people who have contributed professionalism, energy and engagement to this quite amazing journey.

And, fiscal year 2018 has been another successful and rewarding year for customers, employees and shareholders. I know that all of Aristocrat, led by Neil as our next Chairman, share my optimism and assessment of Aristocrat's potential in the years ahead. I look forward to observing its progress.

It's now my pleasure to invite Neil Chatfield to say a few words to address the meeting.

Neil ...

### **Neil Chatfield's address**

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Thank you Ian, and allow me to add my welcome to you all.

Since joining the Aristocrat Board in February last year, I've had the pleasure to get around to most parts of our diverse global business, and also to meet many of our shareholders. I've been struck by the talent of Aristocrat's people, the excellent platform the company has built in its chosen markets and – as Ian has just referenced – just how much opportunity we have before us.

I am particularly honoured to have been endorsed by my Board colleagues to succeed Ian, who has – by any measure- done an outstanding job for shareholders over the last 10 years. Under Ian's leadership the company has not only attracted the industry's most outstanding talent but also embedded a high performance culture, together with establishing sound corporate governance practices.

It might be hard to believe, but back in 2009, Aristocrat essentially competed in only one product segment, across two gaming markets in Australia and North America. The business had revenues of around \$900m and employed 2,000 people. Today, we can point to revenues for the 2018 financial year of over \$3.6b, and a team of more than 6,000 people located around the world. So, when Ian refers to the company's global leadership and the incredible transformation in our scale, reach and capabilities since 2009, he is not exaggerating.

Ian, your dedication, wisdom and leadership during your tenure leaves an inspiring and long lasting legacy at Aristocrat.

On behalf of everyone at Aristocrat, and on behalf of shareholders, I would like to move a vote of thanks to Dr Ian Blackburne for his decade of service and the outstanding legacy he leaves at Aristocrat, and wish him the best for the future.

Thank you Ian.

With the support of the Board, my focus as Chairman will be on continuity – that is, ensuring we deliver on the value of our global leading platform and continue to optimise our growth strategy, execute it effectively and maintain a track record of high quality profitable growth, aimed at providing shareholders sustainable and superior returns over the long term.

I look forward to meeting more of you today, and in the period ahead, and to ensure we can continue to write the next successful chapter in Aristocrat's growth story.

Thank you.

**Chairman's address (continued)**

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Thank you Neil.

It's now my pleasure to pass to Trevor Croker, CEO and Managing Director of Aristocrat, to provide further commentary on the 2018 financial year and the business' strategy and priorities over the coming period.