



24 February 2016

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

Dear Sir/Madam

Aristocrat Leisure Limited – 2016 Annual General Meeting

In accordance with Listing Rule 3.13.3, please find attached the addresses by the Chairman and Chief Executive Officer and Managing Director.

Yours sincerely

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

A Korsanos
Company Secretary
Aristocrat Leisure Limited

ARISTOCRAT LEISURE LIMITED
2016 ANNUAL GENERAL MEETING

Chairman's address - Dr Ian Blackburne

Ladies and Gentlemen. I am delighted to present to you a summary of Aristocrat's performance for the financial year ended September 30, 2015.

As you know, our mission is to deliver "the world's greatest gaming experience, every day". To do this, Aristocrat must transform our business in a fast-changing operating environment, and not only navigate challenges but seek out and seize opportunities as they emerge. Our financial results this year confirm the soundness of the Group's strategy and underline the high quality execution we brought to bear in key markets and segments across the 2015 fiscal year.

Compared to the prior year, Group revenue increased almost 65%, while normalised NPATA (net profit after tax and before amortisation of acquired intangibles) grew almost 79% in reported terms and over 47% in constant currency, illustrating the strong and sustained momentum Aristocrat achieved during the year.

The percentage of revenue the Group derived from recurring sources grew from under 24% at 30 September 2014 to over 45% at the 2015 full year. This represents a material step forward in our commitment to shareholders to do what we can to reduce earnings cyclicality and drive sustainable results.

We are delighted that, over the year in review, Aristocrat was a top performing stock for many shareholders and was the 5th top performing stock in the ASX 100 index in terms of value appreciation over the 12 months to 30 September 2015. The increase in total shareholder returns provided reward for your valued support. At the same time, Aristocrat continues to promote shareholders' longer term interests by investing for growth, against rigorous investment criteria.

Central to our performance this year was the highly successful acquisition and integration of the VGT Class II gaming business. I would particularly highlight the contribution VGT made to lifting both operating cash flow and recurring revenue at the Group level. Aristocrat's leverage ratio improved from 3.6 times pro forma at the announcement of the VGT acquisition to 2.6 times at period end, comfortably within our expectations, and debt continues to be paid down.

Integration activity accelerated over the year bringing VGT into Aristocrat as a very important part of the Group. Importantly the successful integration also confirmed the attractiveness of Aristocrat values and high performance behaviours to our new colleagues at VGT. In every respect, from strategic fit to operational impact and cultural alignment, the VGT acquisition is delivering fully against our expectations, and the Board is delighted with the progress and momentum achieved to date.

Elsewhere across Aristocrat's priority markets in Class III gaming operations, Class III outright sales and Digital, strong operational performance was reflected in further segment profit and share growth over the course of the 2015 fiscal year. This progress was driven by more competitive game and cabinet portfolios, together with stronger in-market execution. After today's meeting, I encourage shareholders to have a look at some of our latest product that we have on display in the showroom. These are great examples of what our world class design and development teams have

brought to market over the last 12 months, and demonstrate that we are continuing to invest appropriately behind outstanding content and technology. Today, we are excited to show you major releases such as The Big Bang Theory, Britney Spears, Buffalo Grand, Batman and Lightning Link, as well many other titles which are featured on our leading edge hardware.

People are the greatest strength of Aristocrat and we maintained our investment in people and culture throughout the 2015 fiscal year, with a further lift in global staff engagement one important and tangible outcome of this.

This year the Board deepened our engagement with the recently acquired businesses, VGT and Product Madness, including a visit to Oklahoma for in-depth discussions with the VGT team and key tribal casino customers. Board members also attended a number of key regional trade shows and important events in the Aristocrat calendar.

Our CEO, Jamie Odell, will comment shortly on progress made in Aristocrat's strategic people agenda.

In the strong year Aristocrat had, the Board is pleased to have been able to appropriately reward key executives and team members for delivering outstanding success. My colleague, Human Resources & Remuneration Committee Chair Kathleen Conlon, will say more later on the Board's approach to rigorous remuneration policies as well as the outcomes for the reporting period.

The Board maintains a comprehensive governance program including Succession Planning, and this year added new emphasis on renewal of the Board itself. During the reporting period, we engaged an external facilitator to conduct a review of Board composition, performance and future skills requirement. As a result, Aristocrat will be undertaking a period of active Board renewal in the medium term, managing retirements in an orderly way and expanding skills sets with new appointments and a modest increase in overall Director numbers. In the short term, we expect to appoint two new Directors to the Board this year. Some investment will be required in expanding the Director Fee Cap as we move through this important renewal process, and ensure the Board continues to function effectively well into the future.

Shareholders might note that our annual Business Review publication is now available online on the Aristocrat homepage. It offers an at-a-glance summary of our financial performance, strategy and other information that you may find useful.

I also encourage you to spend a few minutes exploring our new website at your convenience. It has been significantly expanded, and now includes an exciting recruitment section, improved investor and product information, and engaging multi-media content that brings Aristocrat's story to life.

In conclusion, I would like to thank you for your interest in and support for the business. Shareholders can be very confident that everyone at Aristocrat will continue to strive hard to deliver 'the world's greatest gaming experience, every day', consistent with your best interests, in the year ahead.

I would like to thank my fellow Directors, the senior management team and all Aristocrat people for their contribution to another positive full year result. I'm now pleased to invite Jamie Odell, CEO and Managing Director of Aristocrat, to provide further comment on the 2015 financial year and the outlook for 2016.

CEO & Managing Director's address – Mr Jamie Odell

Thank you Chairman, and welcome everybody – thank you for joining us today.

As Ian mentioned, the year to 30 September 2015 was a significant and successful year for Aristocrat. Group performance was once again well ahead of the prior year – in fact, our 2015 full year results represented Aristocrat's 9th consecutive reporting period of earnings growth, despite challenging and mixed market conditions. These results were underpinned by the successful acquisition and integration of the VGT Class II gaming operations business, together with strong operational delivery.

In particular, Aristocrat drove performance in North American gaming operations across both Class III and Class II segments, delivered outstanding growth in the Australian outright sales market and accelerated performance in our Digital business.

Aristocrat's investment in targeted, market-leading games, technology and improved front-end execution propelled share growth across all key markets and segments over the 12 months to 30 September 2015. Total segment revenue improved 64.7% in constant currency, and over 88% in reported terms, while EBITDA lifted over 100% in constant currency and more than 138% in reported terms compared to the prior year. Normalised operating cash flow of \$449.3 million was over 173% higher than the prior corresponding period, predominantly reflecting higher receipts on increased revenues, and cash management initiatives.

Throughout the year, Aristocrat continued to invest in developing the industry's best talent, driving a high performance culture underpinned by strong values and behaviours. Aristocrat also made progress in exiting distracting legacy operations and focusing on our three core, growing businesses in Class III, Class II and Digital gaming.

As the Chairman referenced, we have transitioned from a heavy dependency on outright sales to a more balanced business model aimed at reducing performance volatility and delivering sustainable results. Healthy growth across all key recurring revenue segments was therefore a particularly important feature of our performance in 2015.

I will now touch on some of the operational features of the result in more detail, beginning with our largest segments in North America.

Aristocrat's total gaming Class III operations installed base increased 8.1% to a fresh record of over 9,800 units during the reporting period, with strong growth in average fee per day to levels above US \$50. This high quality result reflected the impact of a successful mix of new proprietary and licensed game releases during the reporting period, including Sons of Anarchy[™], The Big Bang Theory[™], Britney Spears[™] and Buffalo Grand[™]

Sustained performance from across our Class III gaming operations fleet, along with the release of leading-edge hardware configurations such as the Arc[™] Single, Arc[™] Double, Behemoth[™] and top performing Helix[™] cabinets, supported our momentum. Once again, Aristocrat's Class III gaming operations and broader product portfolio attracted outstanding market feedback. To share just a few highlights:

- North American customers again voted "Buffalo" the #1 game in the region in the annual Goldman Sachs Slot Survey;
- In the same report, slot managers named Aristocrat's game portfolio the "most anticipated" in the market and

- Aristocrat's new Game of Thrones title was named "Best slot product" in the 2015 Global Gaming Business Awards.

In outright sales, despite a contracting market, Aristocrat grew share and achieved a significant increase in selling price in North America on the strength of powerful game content, continued *Viridian WS™* penetration and the rollout of our new *Helix™* cabinet.

In Class II gaming operations, our VGT business delivered a 12.5% increase in revenue to \$274.6m compared to the pro forma result for the Prior Corresponding Period. EBITDA grew almost 18% to \$190.2m, while average Fee Per Day increased 7.5% and the total number of units installed increased 4.5%.

The Australia & New Zealand business delivered an outstanding result for the year, with revenue and profit increasing 40.3% and 26.9% respectively, to \$313.9 million and \$113.8 million compared to the Prior Corresponding Period. Market-leading share gains, with total unit sales up 43.6%, or well over three times the rate of market growth at 12.6%, saw the business reclaim lost share.

Popular new titles included Players Choice™ Gold Jackpots, Sapphire Edition and High Limits, together with Lightning Ca\$h™, Weird, Wicked & Wild™, Pure Magic™, Super Case™ and the top-performing Lightning Link™ family of games. The success of these releases cemented Helix's™ position as the best performing cabinet across all key markets during the reporting period.

Performance across the Rest of World segment was also positive. The business achieved market-leading share of new Macau openings, and drove improved performance elsewhere in Asia Pacific off the back of the launch of the Helix™ cabinet and targeted new titles, including the Good Fortune™ and Fortune Tree™ links. These gains were partly offset by weaker European margins and lower demand in South Africa.

In our social Digital business (Product Madness), revenues increased almost three-fold to \$123.4 million compared to the Prior Corresponding Period, once again driven by sustained growth in the *Heart of Vegas™* application which was launched on both iPhone and Android during the year. Portfolio-wide ARPDAU rose from 29 to 38 US cents at period end, driven by the continual injection of product, content and marketing features. DAU's grew strongly over the same period, from around 670,000 to a fresh record of over 1 million.

Product Madness was named global "Social Operator of the Year" in the eGaming Review Awards for 2015, in recognition of its impressive performance trajectory. Pat Ramsey recently joined our executive team as Chief Digital Officer. Under Pat's leadership, I am confident that Product Madness will continue to position for long-term success as part of our core business.

Aristocrat is also improving the way we run our business in response to our growth and evolution. Over the course of 2015, we overhauled our global operating model to ensure our resources are fully focused behind our three core businesses in Class III, Class II and Digital gaming. We also restructured our global support functions for optimum impact and efficiency.

Our 2015 staff engagement survey demonstrated an increase in engagement levels and strong results overall compared to 2014 and prior years. The business also made significant process in the integration of VGT from a people and culture perspective, with aligned values now embedded in all core VGT processes including performance management and recognition programs. Our focus on

attracting, developing and retaining industry-leading talent continued over the course of the year, consistent with our strategy.

Our expectations over the 2016 full year remain as set out last November, and we continue to see momentum in our core markets going forward. In Class III premium gaming operations, we expect further growth in the installed base and some improvement in Fee Per Day. In Americas outright sales, we anticipate moderate share gains in a flat to declining market. In Class II, we are targeting growth in the installed base and expect to sustain VGT's yield over the year. In the Class III outright sale markets of Australia & New Zealand, we expect markets to be flat, with stable margins and share as we cycle over a period of very significant growth. In Digital, we anticipate further growth in DAUs and monetisation with moderating ARPDAU and margins as we achieve scale and grow into new channels.

Over the full year to 30 September 2016, we expect to hold D&D investment at broadly the same percentage of sales while increasing spend in dollar terms as we position the business for further growth. In addition, we expect our effective tax rate to remain above 30%, reflecting the impact of a higher proportion of US earnings.

Finally, the growth in the Group's recurring revenue base and strong cash flows provide the business with the capacity to consider additional organic and inorganic investments over the coming period, consistent with our strategy and shareholders' interests.

In closing, I'd like to add my thanks to those expressed by the Chairman. Thank you for your ongoing support, as we continue to transform the business and work to close the gap between our performance and full potential. I am also grateful to the Board for their guidance and engagement, and also acknowledge my executive team and all Aristocrat people for their hard work over the course of the year that has delivered a result of which we can all be proud.

I look forward to keeping you informed of our progress, and will now hand back to the Chairman to continue the meeting.

Thank you.