

Ainsworth Game Technology Limited

Results Presentation
Full Year Ended 30 June 2012

28 August 2012



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Agenda

1. 2012 Highlights
2. Profit and Loss Statement
3. Segment Analysis
4. Growth Opportunities
5. Outlook
6. Cash Flow and Balance Sheet

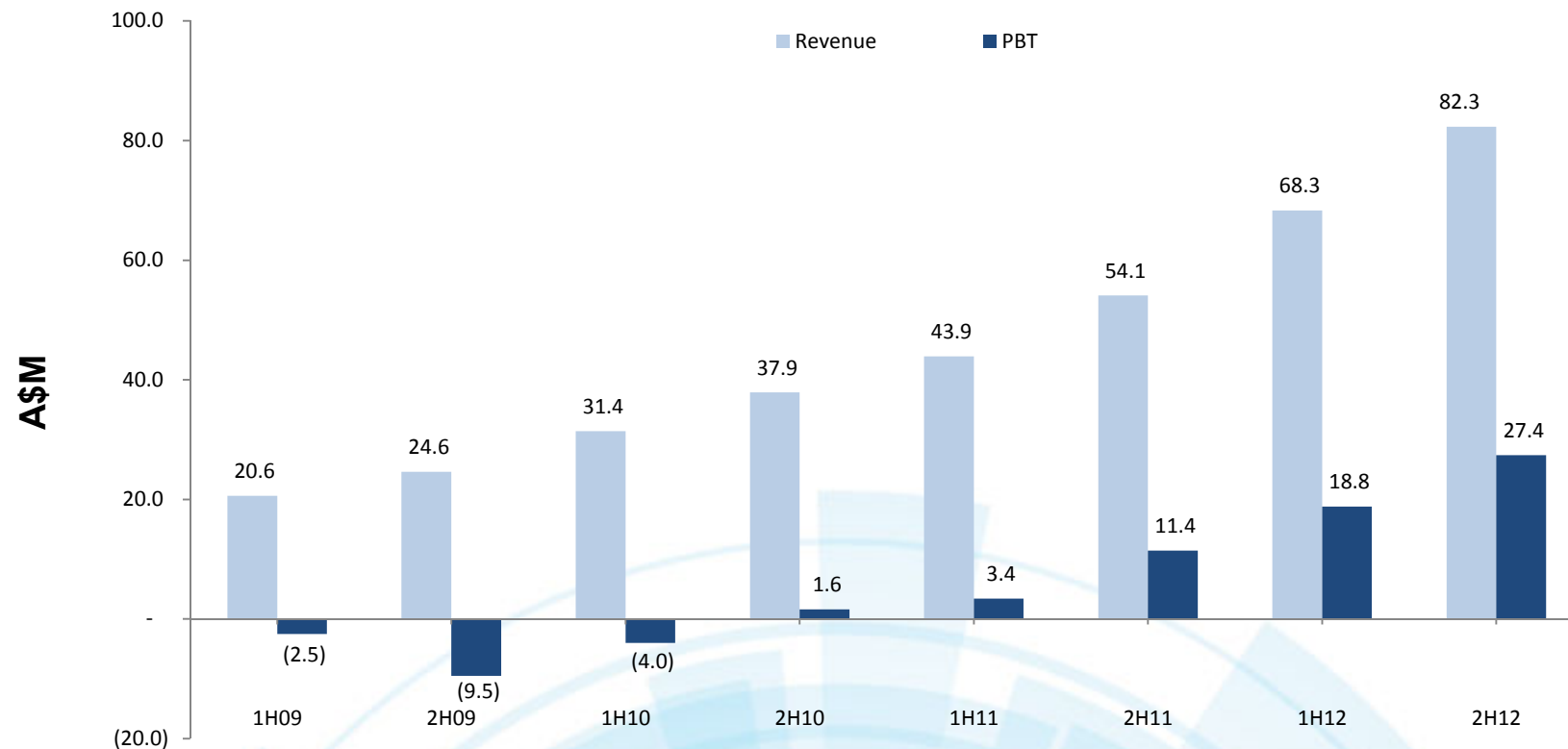
1. 2012 Highlights

- ❑ Revenue of \$150.6m in FY12, an increase of 54%.
- ❑ Profit before taxation of \$64.3m in FY12, an increase of 178%. Included in this result was the recognition of previously unrecognised deferred tax assets resulting in an income tax benefit of \$18.1 million for FY12, compared to \$8.3 million in the corresponding period in 2011.
- ❑ International revenues contributed 32% in FY12 (37% in 2H12) compared to 24% in FY11.
- ❑ Strong momentum into FY13 with 2H12 revenue of \$82.3m.
- ❑ Conducted institutional placement allowing removal of all related party debt.
- ❑ Balance sheet strength will allow Ainsworth to actively progress its product development plans and continued expansion within the key market of North America.
- ❑ Relocation of CEO Danny Gladstone to Las Vegas in March 2012 to oversee US expansion.
- ❑ Granted Slot Route Operator's Licence enabling provision of product on a participation basis within the Nevada market.

1. 2012 Highlights

- ☐ Eight consecutive half year periods of revenue growth

Historical Financial Performance



2. Profit and Loss Statement

- ❑ Sales revenue of \$150.6 million, an increase of 54% on the \$98.0 million in the corresponding period in 2011.
- ❑ Result represents the eighth consecutive half of strong revenue growth reported by the Company.
- ❑ Profit before tax of \$46.2 million, ahead of guidance provided in June 2012.
- ❑ Result represents a significant improvement on the \$14.8 million profit before tax for the corresponding period in 2011.

<i>Amounts expressed in A\$ 'millions</i>	FY12	FY11	Movement		2H12	2H11	Movement	
Domestic revenue	103.1	74.7	▲ 38%		51.6	39.4	▲ 31]	%
International revenue	47.5	23.3	▲ 104%		30.7	14.8	▲ 107%	
Revenue	150.6	98.0	▲ 54%		82.3	54.2	▲ 52%	
Earnings before interest, tax and depreciation and amortisation	56.0	25.7	▲ 118%		31.7	17.1	▲ 85%	
Earnings before interest and tax	50.8	20.3	▲ 150%		29.1	14.0	▲ 108%	
Profit before tax	46.2	14.8	▲ 212%		27.4	11.4	▲ 140%	
Profit after tax	64.3	23.1	▲ 178%		23.8	19.8	▲ 20%	
Earnings per share (dollars)	\$0.23	\$0.08	▲ 188%		\$0.08	\$0.07	▲ 14%	

3. Segment Analysis

Australia

- ❑ Strong performance in core Australian operations driven by strong market share and increased shipshare.
- ❑ Increases across all Australian market segments during the year resulting in domestic revenue of \$103.1 million, an increase of 38% on the corresponding period in 2011.
- ❑ Domestic revenue contributed 68% of total revenue in the current period compared to 76% in the same period in 2011.

	FY12	FY11	Movement
<i>A\$'000</i>			
External revenue	103,142	74,684	▲ 38%
EBITDA	46,184	28,142	▲ 64%
EBITDA - %	45%	38%	▲ 7 Points

3. Segment Analysis (cont)

Americas

- ❑ 720 units placed on trial in FY12, with 71% conversion to sale in North America.
- ❑ Product assembly commenced in LV from January 2012.
- ❑ Key operational support arm now in place – technical game design, marketing, product management, technical services, field service are all in place.

	FY12	FY11	Movement
<i>A\$'000</i>			
External revenue	36,888	17,691	▲ 109%
EBITDA – (normalised for currency effect)	5,881	3,396	▲ 73%
EBITDA - %	16%	19%	▼ 3 Points

3. Segment Analysis (cont)

Rest of the World

- ❑ Increased revenue contributions from Asia (120% increase on PCP) and New Zealand (160% increase on PCP).
- ❑ Shipments were confirmed primarily to Macau, Genting Malaysia, Singapore Clubs, New Zealand Casinos and Trusts.

	FY12	FY11	Movement
<i>A\$'000</i>			
External revenue	10,617	5,588	▲ 90%
EBITDA	3,650	1,703	▲ 114%
EBITDA - %	34%	30%	▲ 4 Points

4. Growth Opportunities

- ❑ Over 40 new games showcased at the recently held Australasian Gaming Expo held at Darling Harbour Australia.
- ❑ Commitment to R&D means that Ainsworth has a strong pipeline of new products entering the market.

SAP



Mystery



Linked



Premium



4. Growth Opportunities (cont)

- ❑ Overwhelmingly positive feedback from customers at the recent Australasian Gaming Expo in response to the newly released A560ST Slant Top and the new proprietary QX32 jackpot controller .
- ❑ A560ST Slant Top expected to assist in achieving continued financial gains during FY13.

A560 Product Range:



4. Growth Opportunities (cont)

Key Product Milestones Achieved:

- ❑ Approval of the QX32 Jackpot Controller in NSW & GLI jurisdictions;

- ❑ A560 Slant Top™ (including 29 games) approved in NSW;

- ❑ Successful release of the Quad Shot low denomination games, in both NSW& QLD performing @ 172 % of denomination average;

- ❑ First games installed in Burswood Casino, excellent results to date;

- ❑ North American game performance remains strong;

- ❑ The Premium Plus range was released at the recent AGE; and

- ❑ In excess of 40 new games were released at the AGE.

4. Growth Opportunities (cont)

Key Product Milestones expected:

- ❑ The initial Victorian A560 cabinet and game approvals are expected in the 2nd quarter;

- ❑ A560 Slant Top™ approval are expected in QLD, New Zealand and Victoria;

- ❑ The Premium Plus participation range of games will be launched at the upcoming G2E in Las Vegas in early October;

- ❑ The A560 Slant Top™ will be officially launched at the G2E; and

- ❑ 50 new game titles are also planned for launch for international markets.

5. FY13 Outlook

- ❑ Strong momentum in quarter 1 of FY13 following the recent Australasian Gaming Expo held at Darling Harbour and the upcoming G2E in quarter 2;
- ❑ Expansion of American strategy with 753 units as participation basis at 30 June 2012 which is expected to provide a strong platform for FY13;
- ❑ Further guidance on trading performance is expected to be provided at the Company's Annual General Meeting on 21 November 2012.

6. Cash Flow and Balance Sheet

- Continued strong net cash flow from operating activities of \$21.7 million was achieved in FY12, an increase of 20% compared to 2011.

Cash flow statement

Amounts expressed in A\$ 'millions

	FY12	FY11	Movement		2H12	2H11	Movement
Net cash from operating activities	21.7	18.2	▲ 20%		6.3	11.2	▲ (44)%
Net cash used in investing activities	(7.6)	(4.0)	▲ (90)%		(3.9)	(1.7)	▲ (129)%
Net cash used in financing activities	23.4	(4.6)	▲ 609%		24.4	(2.5)	▲ 1,076%
Net increase in cash and cash equivalents	37.5	9.6	▲ 291%		26.8	7	▲ 283%

NOTE: The above cashflow statement includes investments held at balance date.

6. Cash Flow and Balance Sheet

Balance Sheet

<i>Amounts expressed in A\$ 'millions</i>	FY12	FY11
Cash / Investments	53	15
Receivables and other assets	53	26
Inventories	17	14
Total Current Assets	123	55
Receivables	14	12
Property, plant & equipment	11	23
Intangibles	17	15
Deferred tax assets	27	8
Total Non-Current Assets	69	58
Total Assets	192	113
Payables	20	9
Borrowings	1	14
Other	9	4
Total Current Liabilities	30	27
Borrowings and other	1	47
Total Non-Current Liabilities	1	47
Total Liabilities	31	74
Net Assets	161	39
Net Debt/(Cash)	(52)	45
Net tangible asset backing per share	\$0.36	\$0.09

- Institutional placement facilitated the repayment of all related parties borrowings and the early redemption of all outstanding convertible notes at 30 June 2012.
- Strong balance sheet will enable Ainsworth to actively progress its product development plans and continued expansion offshore.

Additional Materials

APPENDIX

Appendix - Financial information

Ainsworth Game Technology Limited

Summary of Financials

AUD millions	1H09	2H09	1H10	2H10	1H11	2H11	1H12	2H12
Total Revenue	20.6	24.6	31.4	37.9	43.9	54.1	68.3	82.3
<i>Revenue growth (yoy)</i>	-	19.4%	27.6%	20.7%	15.8%	23.2%	26.2%	20.5%
R&D Expenditure	(6.3)	(6.0)	(5.0)	(5.3)	(6.3)	(6.8)	(7.1)	(11.5)
Overheads	(9.9)	(10.8)	(12.0)	(10.9)	(12.4)	(15.0)	(17.1)	(18.5)
PBT	(2.5)	(9.5)	(4.0)	1.6	3.4	11.4	18.8	27.4
NPAT (Normalised)	(2.8)	(9.8)	(4.2)	1.4	3.3	11.3	18.7	27.1
NPAT (Reported)	(2.8)	(9.8)	(4.2)	1.4	3.3	19.8	40.5	23.8
EPS	(0.01)	(0.04)	(0.01)	0.01	0.01	0.04	0.15	0.08

**Note: Normalised net profit for H2 FY11 and H1 FY12 excludes one-off recognition of \$8.5 million and \$21.8 million in deferred assets*

Appendix - Financial information (cont)

Ainsworth Game Technology Limited

Summary of Financials (Cash Flow)

AUD millions	1H09	2H09	1H10	2H10	1H11	2H11	1H12	2H12
<i>Net Cash from Operating Activities</i>	(3.0)	1.4	4.9	5.7	7.0	11.1	15.4	6.3
<i>Net Cash Used in Investing Activities</i>	(1.0)	(2.1)	(2.3)	(1.8)	(2.4)	(1.6)	(3.7)	(3.9)
<i>Net Cash Used in Financing Activities</i>	0.2	1.1	(0.6)	(0.7)	(2.1)	(2.5)	(1.0)	24.4
<i>Net Increase in Cash and Cash Equivalents</i>	(3.8)	0.5	2.0	3.3	2.6	7.0	10.7	26.8
<i>Cash and Equivalents at End of Period (Half Year)</i>	1.1	1.0	2.9	6.1	8.2	15.4	26.1	52.9

NOTE: Includes investments held at 30 June 2012.