



**Ainsworth Game Technology Limited**  
**ABN 37 068 516 665**  
**and its controlled entities**

**APPENDIX 4D**

**Half Year Report**

**Half Year Ended: 31 December 2014**

Previous corresponding period: 31 December 2013

*Results for announcement to the market*

	Up / Down	%		Half Year ended 31/12/14 A\$'000
Revenue from ordinary activities	Down	8%	to	111,918
Profit from ordinary activities after tax	Down	3%	to	34,645
Profit for the period attributable to members	Down	3%	to	34,645
<b>Dividends (distributions)</b>	Amount per security			Franked amount per security
Final dividend		-¢		-¢
Interim dividend		5.0¢		5.0¢
Previous corresponding period		5.0¢		-¢
Record date for determining entitlements to the dividend	25 March 2015			
Brief explanation of any of the figures reported above and short details of any bonus or cash issue or other item(s) of importance not previously released to the market:				
For further information refer "Review of Operations" section within the attached Directors' Report.				
<b>NTA backing</b>	Current period			Previous corresponding period
Net tangible asset backing per ordinary security	\$0.71			\$0.63



# **Ainsworth Game Technology Limited**

**ABN 37 068 516 665**

**31 DECEMBER 2014**

## **INTERIM FINANCIAL REPORT**

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# Ainsworth Game Technology Limited

## 31 December 2014 Interim Financial Report

### Directors' report

The directors of Ainsworth Game Technology Limited (the "Company") present their report together with the consolidated financial statements of the Group comprising the Company and its subsidiaries for the six months ended 31 December 2014 and the auditor's review report thereon.

### Directors

The directors of the Company at any time during or since the end of the interim period are:

<b>Name</b>	<b>Period of directorship</b>
<b>Executive</b>	
Mr Leonard H Ainsworth <i>Executive Chairman</i>	Director since 1995 (Executive Chairman since 2003)
Mr Daniel Gladstone <i>Executive Director and Chief Executive Officer</i>	Director since 2010
<b>Non-executive</b>	
Mr Graeme Campbell <i>Independent Non-Executive Director</i>	Director since 2007
Mr Michael Yates <i>Independent Non-Executive Director</i>	Director since 2009
Mr David Macintosh <i>Independent Non-Executive Director</i>	Director since 2013
Mr Colin Henson <i>Independent Non-Executive Director</i>	Director since 2013

### Review of operations

#### Operating results

The Company today announced a net profit after tax of \$34.6 million for the half year ended 31 December 2014, a decrease of 3% compared to \$35.7 million in the corresponding period in FY2014.

A highlight for the period was the earnings performance of the Americas, which now represents 39% (\$20.6 million) of total segment profit compared to 20% (\$12.4 million) in the prior corresponding period. This partially offset the reduced segment profit contribution from Australia of \$28.5 million (down from \$46.9 million), which was adversely impacted by product transition issues and reduced corporate activity.

Included in the period's results was \$14.5 million in unrealised foreign currency gains on balance sheet translations (H1 FY14: \$4.2 million) and one-off costs of \$2.0 million relating to the evaluation of investment opportunities. Income tax expense of \$10.9 million was recorded resulting in an effective income tax rate of 24% compared to 22% in the previous corresponding period.

## **Directors' report** (continued)

### **Review of operations** (continued)

#### **Revenue**

Revenue for the period was \$111.9 million, compared to \$121.8 million for the corresponding period in FY2014, a decrease of 8%.

Domestic revenue contributed \$53.5 million (48% of total revenue) compared to \$81.4 million in the previous corresponding period, a decrease of 34%. The reduction in domestic revenues reflects the transitional impact of the A560X and A560SL products, which are still yet to be fully approved in all domestic jurisdictions. Victoria was also impacted by the introduction of new gaming taxes and new regulatory pre-commitment requirements.

International revenue was \$58.4 million compared to \$40.4 million in the prior corresponding period, an increase of 45%. The key markets of the Americas now constitute 47% (\$52.7 million) of total revenues, up from 28% (\$34.4 million).

North America delivered revenues of \$30.2 million, an increase of 47%. Increased contributions from Canada and Oklahoma, whilst maintaining strong sales in California resulted in unit sales volume increasing by 39% to 1,116 units. North American Participation install base grew to 1,223 on the back of confirmed strong performing game brands released under this revenue model.

South America delivered revenues of \$22.5 million, an increase of 63%. Increased sales activity from Mexico and Argentina resulted in unit sales volume increasing by 62% to 1,087 units. South American Participation install base grew to 1,063 on the back of high performance games such as Multi Win, Rio Grande Rapids and Players Paradise.

#### **Operating costs**

Cost of sales in the period were \$41.5 million compared to \$44.0 million in the corresponding period in 2013. Gross margin achieved for the current period was 63%, compared to 64% for FY14 and 64% for the corresponding period in 2013. The decrease was primarily a result of the diversification of the Group's product offerings. Other factors which contributed to the overall decline in gross margins were increased revenue from South America (39% of international revenue compared to 34% in prior corresponding period) at lower margins, new sales arrangements in core domestic markets to facilitate volume sales and transitional product costs incurred from the initial launch of new products.

Operating costs, excluding cost of sales and financing costs, were \$41.0 million compared to \$38.0 million in the corresponding period in 2013, an increase of 8%. The increase in operating expenditure was primarily attributable to increased selling costs on increasing sales representation in new markets and marketing activities, and one-off transaction costs incurred in evaluating strategic investment opportunities in the period.

#### **Net financing income**

Net financing income was \$15.8 million compared to a \$5.7 million income in the corresponding period in 2013. Net unrealised foreign exchange gains from balance sheet translations in the current period totalled \$14.3 million compared to a gain of \$4.2 million in the corresponding period in 2013, a favourable variance of \$10.1 million. Net interest income was \$1.5 million in the current period, which is consistent with the previous corresponding period.

## Directors' report (continued)

### Review of operations (continued)

#### Cashflow

Total cash held as at 31 December 2014 was \$54.4 million compared to \$61.0 million in the prior corresponding period. The net cashflow in the current period was a decrease of \$18.1 million (H1 FY14: increase of \$20.7 million), which included a dividend payment of \$16.1 million, acquisition of property, plant and equipment of \$4.4 million and payments for investments and licenses of \$7.2 million.

Cash inflows from operations for the current period were \$12.0 million, compared to \$29.0 million in the prior corresponding period, a decrease of 59%. Cashflow was impacted by lower domestic sales activity, the timing of sales activity in the Americas and increased inventory holdings. Inventory levels increased at period end due to new products and port delays in the Americas. One-off payments relating to evaluation of investment opportunities were also recorded in cashflow from operations during the period.

### Dividends

After the balance sheet date the following dividends were proposed by the directors. The dividends have not been provided and there are no income tax consequences.

	<b>Cents per share</b>	<b>Total amount \$'000</b>	<b>Franked / unfranked</b>	<b>Date of payment</b>
Interim Ordinary	5.0 cents	\$16,112	Franked	21/04/2015

The financial effect of these dividends has not been brought to account in the financial statements for the period ended 31 December 2014 and will be recognised in subsequent financial reports.

### Events subsequent to reporting date

Other than the dividend disclosed above, there has not arisen in the interval between the end of the half year and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

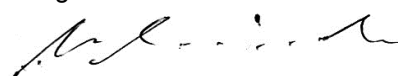
### Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 18 and forms part of the directors' report for the six months ended 31 December 2014.

### Rounding off

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the condensed consolidated interim financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the directors:



LH Ainsworth  
*Executive Chairman*

Dated at Sydney this 24<sup>th</sup> day of February 2015.

## Condensed consolidated statement of financial position

As at 31 December 2014

In thousands of AUD

	31-Dec-14	30-Jun-14
<b>Current Assets</b>		
Cash and cash equivalents	54,402	71,929
Receivables and other assets	100,466	93,663
Inventories	50,163	39,862
Prepayments	4,746	1,404
Investments	4,267	-
<b>Total current assets</b>	<b>214,044</b>	<b>206,858</b>
<b>Non-current assets</b>		
Receivables and other assets	28,380	21,690
Deferred tax assets	1,417	3,467
Property, plant and equipment	43,041	35,096
Intangible assets	28,944	21,549
<b>Total non-current assets</b>	<b>101,782</b>	<b>81,802</b>
<b>Total assets</b>	<b>315,826</b>	<b>288,660</b>
<b>Current Liabilities</b>		
Trade and other payables	31,114	28,582
Loans and borrowings	544	347
Employee benefits	6,330	11,343
Current tax liability	16,917	11,601
Provisions	474	687
<b>Total current liabilities</b>	<b>55,379</b>	<b>52,560</b>
<b>Non-current liabilities</b>		
Loans and borrowings	189	116
Deferred tax liability	1,474	-
Employee benefits	785	682
<b>Total non-current liabilities</b>	<b>2,448</b>	<b>798</b>
<b>Total liabilities</b>	<b>57,827</b>	<b>53,358</b>
<b>Net assets</b>	<b>257,999</b>	<b>235,302</b>
<b>Equity</b>		
Share capital	182,336	182,327
Reserves	95,054	74,491
Accumulated losses	(19,391)	(21,516)
<b>Total equity</b>	<b>257,999</b>	<b>235,302</b>

The notes on pages 10 to 14 are an integral part of these condensed consolidated interim financial statements.

## Condensed consolidated statement of comprehensive income

For the six months ended 31 December 2014

In thousands of AUD

	31-Dec-14	31-Dec-13
Revenue	111,918	121,781
Cost of sales	(41,458)	(43,957)
<b>Gross profit</b>	<b>70,460</b>	<b>77,824</b>
Other income	248	132
Sales, service and marketing expenses	(18,179)	(14,990)
Research and development expenses	(11,949)	(12,107)
Administrative expenses	(8,299)	(10,415)
Other expenses	(2,622)	(522)
<b>Results from operating activities</b>	<b>29,659</b>	<b>39,922</b>
Finance income	15,853	5,750
Finance costs	(13)	(77)
<b>Net finance income</b>	<b>15,840</b>	<b>5,673</b>
<b>Profit before tax</b>	<b>45,499</b>	<b>45,595</b>
Income tax expense	(10,854)	(9,920)
<b>Profit for the year</b>	<b>34,645</b>	<b>35,675</b>
<b>Other comprehensive income</b>		
<b>Items that may be reclassified to profit and loss:</b>		
Foreign operations - foreign currency translation differences	3,539	106
<b>Total other comprehensive income</b>	<b>3,539</b>	<b>106</b>
<b>Total comprehensive income for the year</b>	<b>38,184</b>	<b>35,781</b>
<b>Profit attributable to owners of the Company</b>	<b>34,645</b>	<b>35,675</b>
<b>Total comprehensive income attributable to the owners of the Company</b>	<b>38,184</b>	<b>35,781</b>
<b>Earnings per share</b>		
Basic earnings per share (AUD)	\$0.11	<b>\$0.11</b>
Diluted earnings per share (AUD)	\$0.11	<b>\$0.11</b>

The notes on pages 10 to 14 are an integral part of these condensed consolidated interim financial statements.



## Condensed consolidated statement of changes in equity

For the six months ended 31 December 2014

in thousands of AUD

	Attributable to equity holders of the Company						
	Issued Capital	Equity compensation reserve	Fair value reserve	Translation reserve	Profits Reserve	Accumulated losses	Total equity
Balance at 1 July 2013	<b>182,290</b>	<b>1,228</b>	<b>9,684</b>	<b>117</b>	<b>39,610</b>	<b>(28,511)</b>	<b>204,418</b>
<b>Total comprehensive income for the period</b>							
Profit	-	-	-	-	-	35,675	35,675
Transfer between reserves	-	-	-	-	35,675	(35,675)	-
<b>Other comprehensive income</b>							
Foreign currency translation reserve	-	-	-	106	-	-	106
Total other comprehensive income	-	-	-	106	-	-	106
Total comprehensive income for the period	-	-	-	106	35,675	-	35,781
<b>Transactions with owners, recorded directly in equity</b>							
Issue of ordinary shares on exercise of share options	7	-	-	-	-	-	7
Dividends to owners of the Company	-	-	-	-	(16,101)	-	(16,101)
Share-based payment transactions	-	602	-	-	-	-	602
Share based payment adjustment on non-vesting options	-	(7)	-	-	-	7	-
Total transactions with owners	7	595	-	-	(16,101)	7	(15,492)
Balance at 31 December 2013	<b>182,297</b>	<b>1,823</b>	<b>9,684</b>	<b>223</b>	<b>59,184</b>	<b>(28,504)</b>	<b>224,707</b>
Balance at 1 July 2014	<b>182,327</b>	<b>2,426</b>	<b>9,684</b>	<b>401</b>	<b>61,980</b>	<b>(21,516)</b>	<b>235,302</b>
<b>Total comprehensive income for the period</b>							
Profit	-	-	-	-	-	34,645	34,645
Transfer between reserves	-	-	-	-	32,520	(32,520)	-
<b>Other comprehensive income</b>							
Foreign currency translation reserve	-	-	-	3,539	-	-	3,539
Total other comprehensive income	-	-	-	3,539	-	-	3,539
Total comprehensive income for the period	-	-	-	3,539	32,520	2,125	38,184
<b>Transactions with owners, recorded directly in equity</b>							
Issue of ordinary shares on exercise of share options	9	-	-	-	-	-	9
Dividends to owners of the Company	-	-	-	-	(16,110)	-	(16,110)
Share-based payment transactions	-	614	-	-	-	-	614
Share based payment adjustment on non-vesting options	-	-	-	-	-	-	-
Total transactions with owners	9	614	-	-	(16,110)	-	(15,487)
Balance at 31 December 2014	<b>182,336</b>	<b>3,040</b>	<b>9,684</b>	<b>3,940</b>	<b>78,390</b>	<b>(19,391)</b>	<b>257,999</b>

The notes on pages 10 to 14 are an integral part of these condensed consolidated interim financial statements.

## Condensed consolidated statement of cash flows

For the six months ended 31 December 2014

In thousands of AUD

	31-Dec-14	31-Dec-13
<b>Cash flows from/(used in) operating activities</b>		
Cash receipts from customers	111,754	130,483
Cash paid to suppliers and employees*	(98,006)	(100,098)
Cash generated from operations	13,748	30,385
Income taxes paid	(1,743)	(1,362)
Borrowing costs paid	(13)	(38)
<b>Net cash from operating activities</b>	<b>11,992</b>	<b>28,985</b>
<b>Cash flows from/(used in) investing activities</b>		
Interest received	1,631	1,681
Acquisitions of property, plant and equipment	(4,390)	(11,045)
Proceeds from call deposits	-	21,433
Acquisition of investment	(1,606)	-
Development expenditure	(3,942)	(3,069)
Acquisition of other intangibles	(5,551)	(800)
<b>Net cash (used in)/from investing activities</b>	<b>(13,858)</b>	<b>8,200</b>
<b>Cash flows from/(used in) financing activities</b>		
Proceeds from issue of ordinary shares	9	7
Dividend paid	(16,110)	(16,101)
Payment of finance lease liabilities	(157)	(365)
<b>Net cash used in financing activities</b>	<b>(16,258)</b>	<b>(16,459)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(18,124)</b>	<b>20,726</b>
Cash and cash equivalents at 1 July	71,929	40,135
Effect of exchange rate fluctuations on cash held	597	157
<b>Cash and cash equivalents at 31 December 2014</b>	<b>54,402</b>	<b>61,018</b>

\*Includes payment for business evaluation amounting to \$1,640 thousand.

The notes on pages 10 to 14 are an integral part of these condensed consolidated interim financial statements.

# Notes to the condensed consolidated interim financial statements

## 1. Reporting entity

Ainsworth Game Technology Limited (the "Company") is a company domiciled in Australia. These condensed consolidated interim financial statements ("interim financial statements") as at and for the six months ended 31 December 2014 comprises the Company and its subsidiaries (together referred to as the "Group"). The Group primarily is involved in the design, development, manufacture, sale and servicing of gaming machines and other related equipment and services.

The consolidated annual financial report of the Group as at and for the year ended 30 June 2014 is available upon request from the Company's registered office at 10 Holker Street, Newington, NSW, 2127 or at [www.ainsworth.com.au](http://www.ainsworth.com.au).

## 2. Basis of preparation Statement of compliance

These interim financial statements are general purpose financial statements prepared in accordance with AASB 134 *Interim Financial Reporting* and the Corporations Act 2001, and with IAS 34 Interim Financial Reporting.

These interim financial statements do not include all of the information required for a complete set of annual financial statements, and should be read in conjunction with the consolidated annual financial statements of the Group as at and for the year ended 30 June 2014.

These interim financial statements were approved by the Board of Directors on 24 February 2015.

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with the Class Order, amounts in the consolidated interim financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

### Judgements and estimates

The preparation of the interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2014.

## 3. Significant accounting policies

Except as described below, the accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 30 June 2014.

The Group has adopted the following amendments to standards that are relevant to the Group, with a date of initial application of 1 July 2014. The following changes in accounting policies are also expected to be reflected in the Group's consolidated financial statements as at and for the year ending 30 June 2015:

## Notes to the condensed consolidated interim financial statements

### 3. Significant accounting policies (continued)

#### *AASB 8 Operating Segments*

The amendments to AASB 8 require (i) an entity to disclose the judgements made by management in applying the aggregation criteria to operating segments, including a description of the operating segments aggregated and the economic indicators accessed in determining whether the operating segments have 'similar economic characteristics' and (ii) clarifies that a reconciliation of the total reportable segments' assets to the entity's assets should only be provided if the segment assets are regularly provided to the chief operating decision-maker.

As a result of this amendment, the Group has applied amendment (i) and additional disclosure has been made in Note 5.

### 4. Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 30 June 2014.

### 5. Operating segments

Information reported to the Group's Chief Executive Officer (CEO) for the purposes of resource allocation and assessment of performance is focused on the geographical location of customers of gaming machines. The primary geographical location of customers and therefore the Group's reportable segments under AASB 8 are outlined in the table on the following page.

The NSW and North and South America segments include the aggregation of the Group's other operating segments that are not separately reportable. Included in the NSW and North and South America segments are the results of the operating segments related to the servicing of gaming machines in those geographical regions. These operating segments are considered to have similar economic characteristics as the nature of the products and services is complementary and the nature of the regulatory environment and type of customer are consistent. Performance of each reportable segment is based on segment revenue and segment result as included in internal management reports that are reviewed by the Group's CEO. Segment result only takes into account directly attributable costs, which management believes is the most relevant approach in evaluating segment performance.

A reconciliation of segment result to net profit after tax is also included below.

## Notes to the condensed consolidated interim financial statements

### 5. Operating segments (continued)

For the period ended 31 December 2014

	Australia				Americas		Asia	New Zealand	Europe / Other	Total
	NSW	QLD	VIC / TAS	South Aust / N.T	North America	South America				
<i>In thousands of AUD</i>										
Reportable segment revenue	26,950	12,868	11,488	2,215	30,229	22,542	3,008	1,818	800	111,918
<b>Result</b>										
Reportable segment profit	12,193	7,413	7,566	1,294	12,879	7,758	1,746	1,176	436	52,461
Interest revenue not allocated to segments										991
Interest expense										(13)
Foreign currency gain										14,304
R&D expenses										(11,949)
Corporate and administrative expenses										(8,299)
Other expenses										(1,996)
Profit before tax										45,499
Income tax expense										(10,854)
Net profit after tax										34,645

For the period ended 31 December 2013

	Australia				Americas		Asia	New Zealand	Europe / Other	Total
	NSW	QLD	VIC / TAS	South Aust / N.T	North America	South America				
<i>In thousands of AUD</i>										
Reportable segment revenue	36,999	22,673	18,196	3,545	20,600	13,828	2,677	2,841	422	121,781
<b>Result</b>										
Reportable segment profit	19,493	13,739	11,152	2,549	8,780	3,630	1,579	1,784	242	62,948
Interest revenue not allocated to segments										1,043
Interest expense										(77)
Foreign currency gain										4,203
R&D expenses										(12,107)
Corporate and administrative expenses										(10,415)
Other expenses										-
Profit before tax										45,595
Income tax expense										(9,920)
Net profit after tax										35,675

Note: The Company has made a correction on the allocation of overheads totalling to \$479 thousand between NSW and South America resulting in a change in segment result for period ending 31 December 2013.

## Notes to the condensed consolidated interim financial statements

### 6. Write-down of inventory

During the six months ended 31 December 2014 the write-down of inventories to net realisable value amounted to \$217 thousand (six months ended 31 December 2013: \$34 thousand). The write-down is included in cost of sales in the condensed consolidated statement of comprehensive income.

### 7. Impairment of trade receivables

During the six months ended 31 December 2014, the group realised impairment losses of \$268 thousand (six months ended 31 December 2013: \$522 thousand), included in other expenses, in the condensed consolidated statements of comprehensive income.

### 8. Income tax

#### Income tax benefit

As at 31 December 2014 deferred tax assets recognised were \$1,417 thousand. Management consider it probable that future taxable profits will be available against which the deferred tax assets can be utilised.

#### Effective income tax rate

The Group's effective income tax rate in this current period was 24% compared to 22% in the previous corresponding period. Previous corresponding period reported a lower rate because of prior year tax adjustments in foreign operations.

### 9. Property, plant and equipment

#### Acquisitions and disposals

During the six months ended 31 December 2014, the Group acquired assets with a cost of \$11,541 thousand (six months ended 31 December 2013: \$11,045 thousand). Included in the \$11,541 thousand are assets with a cost of \$6,594 thousand (six months ended 31 December 2013: \$7,133 thousand) associated with gaming products under rental and participation arrangements. In addition \$1,178 thousand (six months ended 31 December 2013: \$1,356 thousand) gaming product assets were transferred to inventory after being returned or sold to customers.

Other assets with a carrying amount of \$55 thousand were disposed of during the six months ended 31 December 2014 (six months ended 31 December 2013: \$19 thousand) resulting in a net profit on disposal of \$51 thousand (six months ended 31 December 2013: \$4 thousand loss), which is included in other income in the condensed consolidated statement of comprehensive income.

### 10. Financial instruments

The fair values of financial assets and financial liabilities, together with the carrying amounts in the condensed consolidated statement of financial position, are as follows:

*In thousands of AUD*

#### Carrying amounts versus fair values

#### 31 December 2014

#### Non-current financial assets

Trade and other receivables

#### Non-current financial liabilities

Loans and borrowings:

- Finance lease liabilities

	Carrying amount	Fair value
Trade and other receivables	28,380	28,380
Loans and borrowings:		
- Finance lease liabilities	189	190

## Notes to the condensed consolidated interim financial statements

### 11. Dividend paid

The Group declared a dividend of \$0.05 per ordinary share in the current reporting period. The dividend was unfranked and was paid on 26 September 2014.

### 12. Loans and borrowings

The following loans and borrowings (current and non-current) were obtained and repaid during the six months ended 31 December 2014:

<i>In thousands of AUD</i>	Currency	Interest Rate		Face Value	Carrying Amount	Year of maturity
		Nominal	Effective			
Balance at 1 July 2014				484	463	
<b>New/increased loans</b>						
Insurance premium funding	AUD	2.10%	2.10%	643	633	2015
<b>Repayments</b>						
Finance lease liabilities	AUD	2.9 -8.4%	2.9 -8.4%	(162)	(157)	2015-2018
Insurance premium funding	AUD	2.10%	2.10%	(210)	(206)	2015
Balance at 31 December 2014				<u>755</u>	<u>733</u>	

### 13. Related parties

#### Transactions with key management personnel

Key management personnel receive compensation in the form of short-term employee benefits, post-employment benefits and share-based payments awards. Key management personnel received total compensation of \$2,025 thousand for the six months ended 31 December 2014 (six months ended 31 December 2013: \$1,806 thousand).

#### Other related party transactions

<i>In thousands of AUD</i>	Transaction value		Balance	
	Six months ended 31 Dec 14	Six months ended 31 Dec 13	receivable/(payable) 31 Dec 14	30 Jun 14
<b>Sale of goods</b>				
<i>Mr LH Ainsworth</i>				
Company controlled by director/shareholder – sale of goods	364	365	354	-
<b>Expenses</b>				
<i>Mr LH Ainsworth</i>				
Companies controlled by director/shareholder – purchases and other charges	815	783	(166)	(80)

### 14. Subsequent events

After the reporting date, the Company has declared a fully franked dividend of 5 cents per share amounting to \$16,112,000 with an expected payment date of 21 April 2015. The financial effect of this dividend has not been brought to account in the financial statements for the period ended 31 December 2014 and will be recognised in subsequent financial reports.

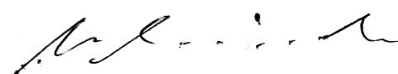
# Ainsworth Game Technology Limited

## Directors' declaration

In the opinion of the directors of Ainsworth Game Technology Limited ("the Company"):

1. the financial statements and notes set out on pages 6 to 14, are in accordance with the Corporations Act 2001 including:
  - (a) giving a true and fair view of the Group's financial position as at 31 December 2014 and of its performance for the six month period ended on that date; and
  - (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.



LH Ainsworth  
*Executive Chairman*

Dated at Sydney this 24<sup>th</sup> day of February 2015.





## **Independent auditor's review report to the members of Ainsworth Game Technology Limited**

### **Report on the financial report**

We have reviewed the accompanying interim financial report of Ainsworth Game Technology Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2014, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the interim period ended on that date, notes 1 to 14 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the interim period.

### **Directors' responsibility for the interim financial report**

The directors of the company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that is free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2014 and its performance for the interim period ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Ainsworth Game Technology Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Independence**

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

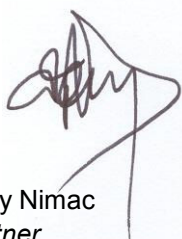
## Independent auditor's review report to the members of Ainsworth Game Technology Limited (continued)

### Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Ainsworth Game Technology Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2014 and of its performance for the interim period ended on that date; and
- (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG



Tony Nimac  
Partner

Sydney

24 February 2015



## Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Ainsworth Game Technology Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2014 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

A handwritten signature in black ink, appearing to read 'Tony Nimac', written over a light blue background.

Tony Nimac  
*Partner*

Sydney

24 February 2015