

Ainsworth Game Technology Ltd

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Fax: +61 2 9737 9483www.ainsworth.com.au26th October 2016**ASX Release****ASX Code: AGI****Ainsworth Game Technology Limited – Trading Update**

Ainsworth Game Technology Limited (AGI) today provided an update on its current trading performance.

For the first half of FY17, based on unaudited management forecasts, pre-tax profit excluding the impact of changes in foreign exchange rates, is expected to be approximately \$15m. This compares to \$35m of pre-tax profit excluding currency impacts reported for the first half of FY16 (PCP).

The trends affecting the Company's sales in domestic markets in 2H FY16 have continued into the new financial year. Unit volumes in Australia for 1H FY17 are down by approximately 30% compared to PCP reflecting the competitive nature of the domestic market and reduced level of corporate and casino purchasing.

Moreover, AGI's results for the first half of this year also reflect an increased level of investment in research and development. The Company continues to execute its product strategy to enhance its creative capability and build a pipeline of new products that will drive future performance.

AGI expects a more significant weighting towards the second half in this year's full FY17 results given the historical seasonality of sales in the North American market. The positive customer response in the Americas to the launch of the A600 at the recent G2E in September, and the expected deliveries of the newly released A640, should also make positive contributions to the second half results.

The Company is confident the investments undertaken in research and development activities and the Novomatic synergies will produce an increased pipeline of new product offerings across all markets and strengthen customer interest in Australia.

Based on this anticipated growth and the seasonal sales trend, the Company therefore expects 2H FY17 to show significant improvement in the Company's net profit before tax excluding currency impacts as compared to 2H FY16. The anticipated synergy benefits arising from the strategic relationship with Novomatic AG are expected to be realised in 2HFY17. AGI expects to be in a position to provide a further update at the time of the half-year results in February 2017.

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