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AINSWORTH
EXPERIENCE COUNTS™

FY16 Annual Results Announcement

Ainsworth Game Technology Limited

www.agtslots.com.au

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Continuing strong growth in International revenue and profitability, predominately in the Americas

Historical Financial Performance



*Note: NPAT for H2 FY11 and H1 FY12 also excludes one off recognition of $8.5 million and $21.8 million in deferred assets.

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10. Outlook and Questions

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Key Highlights

Continued execution of a clear strategy: A more diversified Ainsworth is developing with an improving quality of recurring earnings and strong growth and profitability in international markets

- Stable FY16 results:
  - Total sales revenue of $285.5m, +19%
  - International revenue $204.0m, +38%
  - Domestic revenue $81.5m, -12%
  - Excluding foreign currency gains and significant items outside ordinary business activities, underlying EBITDA was $95.2m, +12%
  - Excluding forex gains: NPAT $52.4m, flat on pcp. EPS was 17 cents per share, -23% on pcp

- Continued strong growth in international businesses: now 71.5% of total revenue:
  - North Americas revenues up 34%, profit 29%: 15% growth in unit volumes and contribution from Nova Technologies in Class II gaming markets
  - Latin America revenues up 49%, profit up 68%, with 1,794 number of units on participation
  - Rest of World revenues up 25%, profit up 18%: 19% increase in unit volumes driven by improved NZ performance

- Focus on continuing growth in international business with new Las Vegas facility in operation, recovery through innovative game development in domestic markets and the delivery of the expected revenue synergies with Novomatic

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Profit & Loss Summary

- Strong international sales growth (+38% v pcp) offsetting challenging domestic market (-12% pcp)
- Gross Profit increased by 13% versus pcp. Pressure in domestic market offset by strong contributions from machines under participation and the Americas
- Gross Margin 60% consistent with H1FY16
- $4.1m of significant items outside ordinary business activities are included in underlying EBITDA ($3.1m pcp).
- 10 cents per share dividend declared, 58% payout ratio, fully franked
- Smaller post tax contributions from currency gains in FY16, $3.3m v $17.9m in FY15

A$m	12 months ended 30-Jun-2016	12 months ended 30-Jun-2015	Change (%)	Change (%)
Domestic revenue	81.5	93.0	▼	(12%)
International revenue	204.0	147.6	▲	38%
Total revenue	**285.5**	**240.6**	▲	**19%**
Gross profit	171.7	152.0	▲	13%
EBITDA	**95.8**	**107.6**	▼	**(11%)**
PBT	75.1	94.4	▼	(20%)
Income tax expense	19.4	24.0	▼	(19%)
NPAT	**55.7**	**70.4**	▼	**(21%)**
R&D (% of revenue)	10%	11%	▼	(1%)
EPS (diluted) (A$)	**0.17**	**0.22**	▼	**(23%)**
DPS (A$)	0.10	0.10	-	0%

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Results Adjusted for Currency Gains

A$m	12 months ended 30-Jun-2016	12 months ended 30-Jun-2015	Movement	Change (%)
PBT	75.1	94.4	▼	(20%)
Currency gains (before tax)	(4.7)	(25.6)	▼	(82%)
Adjusted PBT	**70.4**	**68.8**	▲	**2%**
NPAT	55.7	70.4	▼	(21%)
Currency gains (after tax)[(1)]	(3.3)	(17.9)	▼	(82%)
Adjusted NPAT	**52.4**	**52.5**	▼	**(0%)**

[(1)] Calculation of 'Currency Gains (after tax); FY16 ($4.7m x 0.7 = $3.3m), FY15 ($25.6m x 0.7 = $17.9m)

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Results adjusted for currency gains and significant items outside ordinary business activities

A$m	12 months ended 30-Jun-2016	12 months ended 30-Jun-2015	Variance %
Reconciliation:			
Profit before tax	**75.1**	**94.4**	**(20%)**
Net interest	(2.3)	(3.1)	(26%)
Depreciation and amortisation	23.0	16.3	41%
Reported EBITDA	**95.8**	**107.6**	**(11%)**
Foreign currency gains	(4.7)	(25.6)	(82%)
Due diligence costs on strategic opportunites/acquisitions	1.2	1.9	(37%)
Impairment losses	2.2	1.2	83%
Accelerated expenses for vacated premises in North America	0.7	-	100%
Underlying EBITDA	**95.2**	**85.1**	**12%**

$4.1m significant items outside ordinary business activities are as follows:

- Due diligence costs include evaluating strategic investment opportunities and Nova acquisition
- Impairment losses recognised for a prior period receivable where payments had fallen into arrears
- Accelerated expenses related to vacated premises in North America until the expiry of the lease following completion of the Group's new facility in Las Vegas

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Operating Costs

	FY16	FY15	Variance
Sales, service and marketing	52.0	38.9	34%
R&D	28.6	25.4	13%
Administration	19.8	18.6	6%
Total Operating costs	**100.4**	**82.9**	**21%**

- Increase in Sales, service and marketing primarily due to:
  - Nova expenses as part of the integration to Ainsworth business
  - Additional sales/ technical representation in Americas in line with revenue increases and new licenses
  - Full year depreciation impact on gaming machines under gaming operations
- Increase in R&D expenses due to new product initiatives carried out during the year

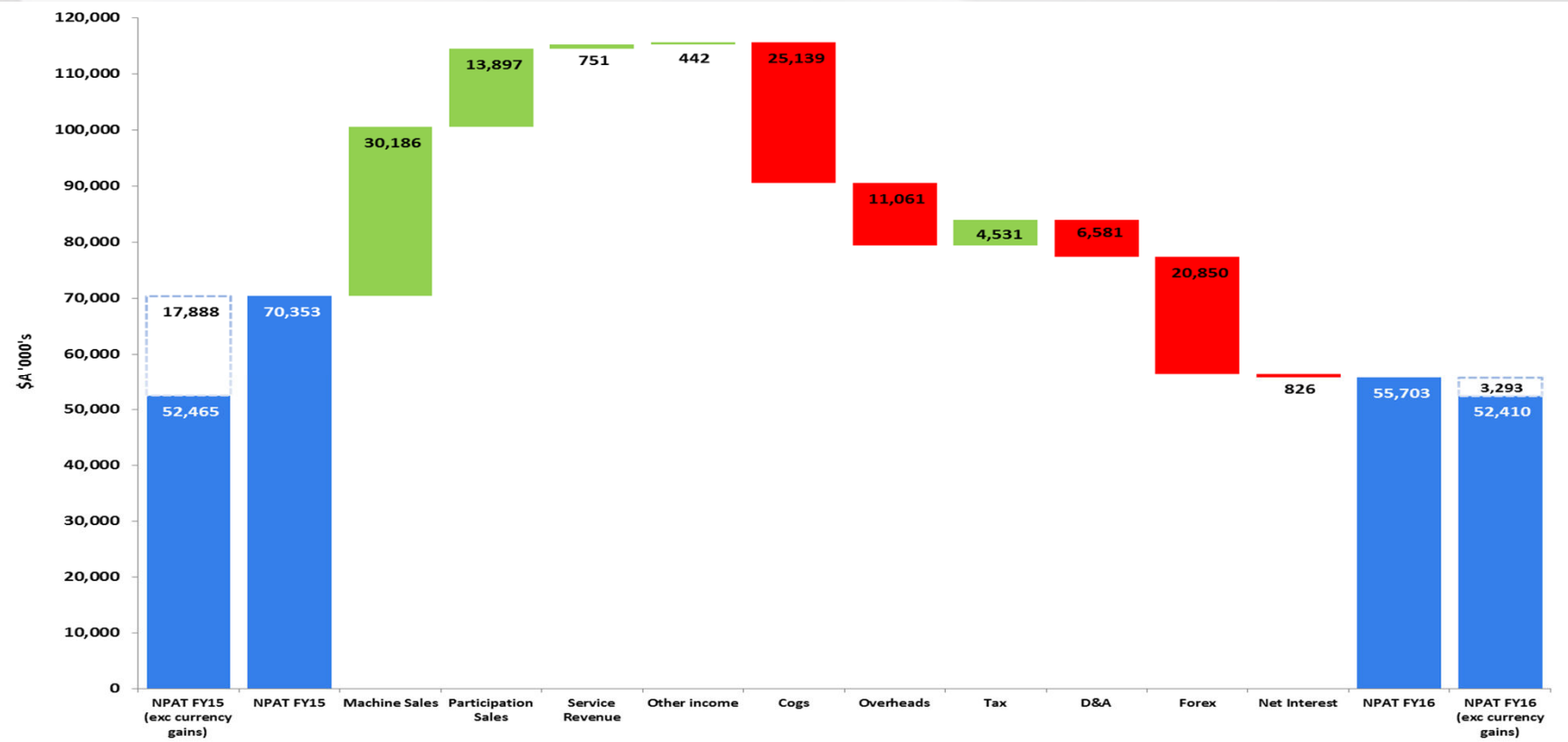
Staff Headcount

Australia and Rest of the World		
# Staff	**FY16**	**FY15**
Sales	37	36
Service	82	82
Production	44	44
Administration	47	45
R&D	134	142
Total Staff Numbers - Australia & Rest of the World	**344**	**349**

Americas		
# Staff	**FY16**	**FY15**
Sales	34	25
Service	41	33
Production	49	41
Administration	40	28
R&D	32	14
Total Staff Numbers - North and Latin America	**196**	**141**

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Net Profit Bridge

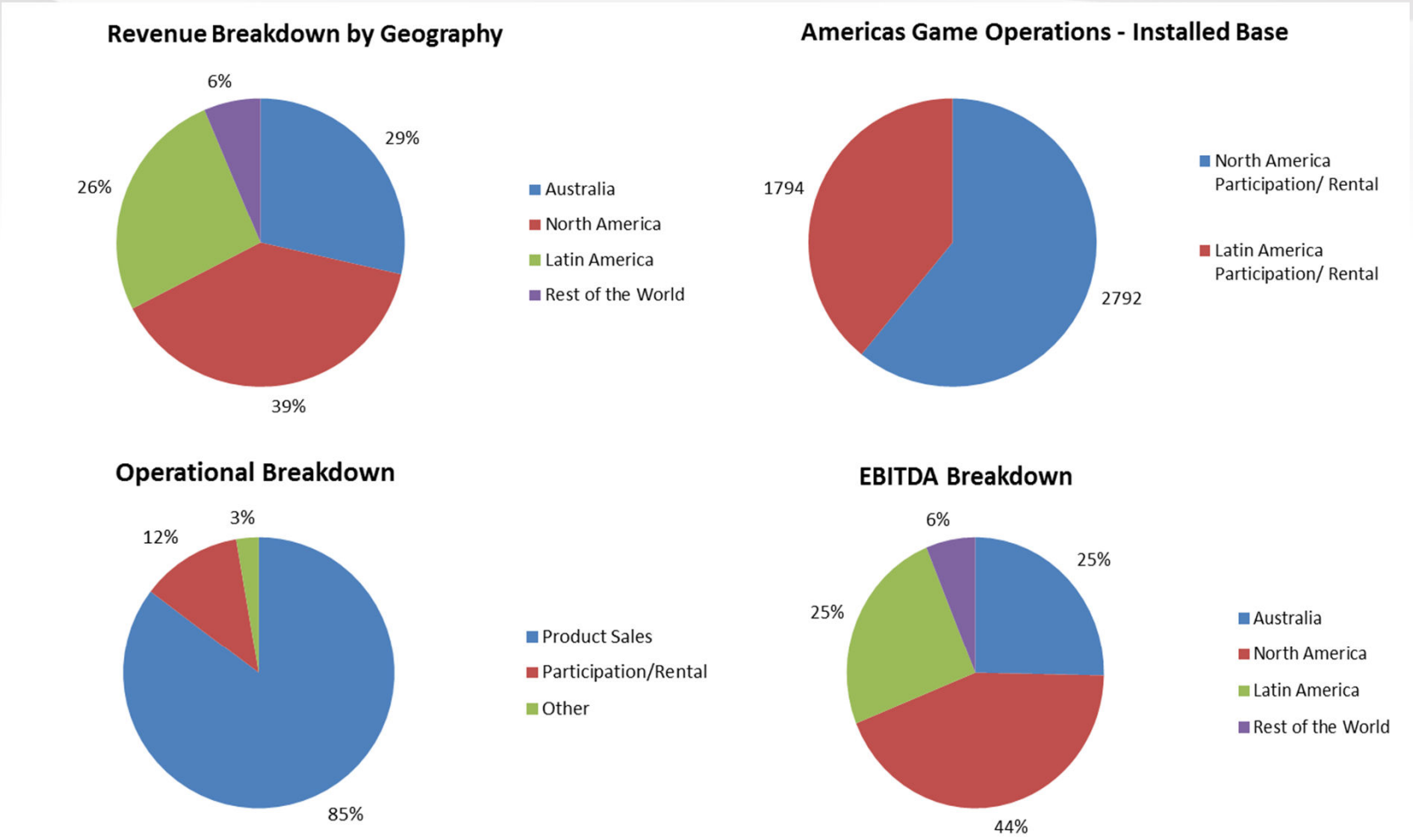


(1) Calculation of after tax currency gains; FY15 ($25.6m x 0.7 = $17.9m), FY16 ($4.7m x 0.7 = $3.3m)

- $20.9m forex represents a decrease in foreign currency gains in FY16 of $4.7m (versus $25.6m pcp)
- $6.6m increase in D&A reflects rise in number of machines placed under participation of which $2.1m relates to machines placed under Class II market, $0.6m depreciation in the LV multi purpose built facility and $1.4m amortisation of intangible assets acquired through Nova
- $4.5m decrease in tax expense due to decrease in foreign exchange gains
- $52.4m currency adjustment in FY16 (versus $52.5m pcp). Excludes $3.3m after tax currency gains (versus $17.9m pcp) (1)

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Ainsworth at a Glance



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Balance Sheet

- 18% Return on Equity. 17% return on equity based on normalised PAT (excludes foreign currency gains - 19% pcp)
- A$90m debt facility to fund working capital, A$67.8m drawn; $54.2m was drawn to fund the acquisition of Nova Technologies LLC (“Nova”)
- Increase in other non-current assets due to the finalisation of LV multi purpose built facility and PPE and intangible assets recognised through business combinations (Nova)

A$m	12 months ended 30-Jun-2016	12 months ended 30-Jun-2015
Cash	26.4	26.1
Term deposits	-	15.2
Receivables	118.7	110.3
Other Current Assets	63.0	69.6
Total Current Assets	**208.1**	**221.2**
Non-Current Receivables	37.9	36.3
Deferred Tax Assets	1.6	2.8
Other Non-Current Assets	188.4	88.4
Total Non-Current Assets	**227.9**	**127.5**
Payables	30.3	29.4
Loans and borrowings	0.1	0.2
Current Tax Liability	9.5	13.0
Other Current Liabilities	7.8	9.9
Total Current Liabilities	**47.7**	**52.5**
Loans and borrowings	67.8	9.3
Employee Benefits	0.7	0.9
Deferred Tax Liabilities	3.9	5.5
Total Non-Current Liabilities	**72.4**	**15.7**
Share Capital	193.8	182.4
Other Equity	122.1	98.1
Total Equity	**315.9**	**280.5**

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Cashflow Statement

- Increase in Net Cash from Operations to $52.9m reflects effective management of working capital cash outflow
- $6.2m capitalised development expenditure, predominately relating to on-going development for the A600™ and release in international markets along with the development of the A640™ and new hardware configurations
- Proceeds from borrowings relates to drawdown from the facility to fund the acquisition of Nova and purchase of Land and Building in Florida

A$m	12 months ended 30-Jun-2016	12 months ended 30-Jun-2015	Change
Net Cash from Operating Activities	**52.9**	**20.2**	**32.7**
Interest received	3.0	3.4	(0.4)
Proceeds from sale of PPE	0.1	-	0.1
Acquisitions of PPE	(49.2)	(15.3)	(33.9)
Payment for business acquisiton	(54.2)	-	(54.2)
Acquisition of equity- accounted investee	(2.1)	-	(2.1)
Development expenditure	(6.2)	(9.4)	3.2
Acquisitions of investment	-	(1.6)	1.6
Acquisitions of intangibles	-	(5.6)	5.6
Net cash used in investing activities	**(108.6)**	**(28.5)**	**(80.1)**
Dividend paid	(20.9)	(32.2)	11.3
Proceeds from borrowings	68.8	9.1	59.7
Other	(7.7)	(0.2)	(7.5)
Net cash generated from/(used in) financing activities	**40.2**	**(23.3)**	**63.5**
Net increase in cash	(15.5)	(31.6)	16.1
Cash at beginning of the period	41.3	71.9	(30.6)
Effect of FX on cash on hand	0.6	1.0	(0.4)
Cash at end of period	**26.4**	**41.3**	**(14.9)**

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Segment Results - Australia

- Challenging period for volume and revenue growth given highly competitive market conditions and minimal corporate and casino sales in FY16
- Sustainable growth in machines placed under service in NSW/ACT to 15,001 (14,059 pcp)
- An increase in ASP of 3% despite competitive domestic market
- Recovery in market share is expected to be driven by innovative new technologies

A$m	12 months ended 30-Jun-2016	12 months ended 30-Jun-2015	Change (%)	Change (%)
Revenue	**81.5**	**93.0**	▼	**(12%)**
Segment Profit	**29.0**	**46.6**	▼	**(38%)**
Segment Profit (%)	36%	50%	▼	(14%)
Unit Volume (no.)	2,873	3,535	▼	(19%)
ASP (ex rebuilds) ($A'000's)	21.3	20.7	▲	3%
Service Revenue	**6.6**	**6.5**	▲	**2%**

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Segment Results – Americas

North America – strong growth in sales, share and participation:

- 34% increase in revenue
- Continuing growth in existing markets, led by – California, Canada, Louisiana, and Wisconsin
- Strong A560 SL™ sales, 3,559 total units sold + 15% versus pcp.
- Maintained strong ASP in competitive market
- Reduced yield due to Class II products (Nova) at a lower yield and conversions to sale of higher performing Class III titles

North America

A$m	12 months ended 30-Jun-2016	12 months ended 30-Jun-2015	Change (%)	Change (%)
Revenue	**111.0**	**82.7**	▲	**34%**
Segment Profit	**49.3**	**38.1**	▲	**29%**
Segment Profit (%)	44%	46%	▼	(2%)
Unit Volume (no.)	3,559	3,100	▲	15%
ASP (US$'000's) *	16.7	16.7	-	0%
Units on Trial	277	228	▲	21%
Game Operations – Installed Base**	2,792	1,316	▲	112%
**Ave per Day (US$) ** **	**24**	**33**	▼	**(27%)**

*Excludes distributor sales
**Includes units from acquisition of Nova Technologies, LLC

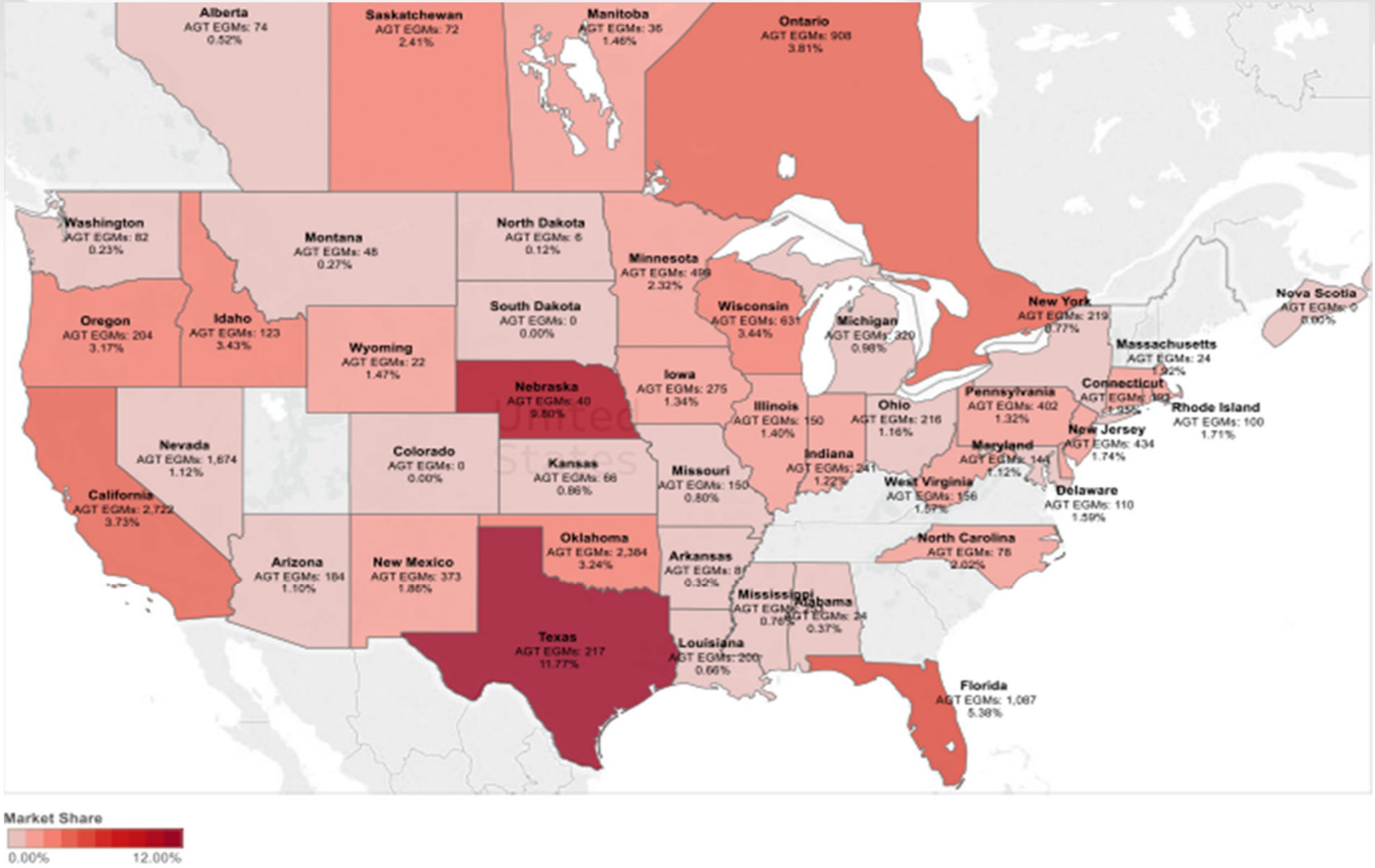
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Nova Technologies – Entry into US Class II Market

- Completed acquisition of Nova Technologies, LLC, on January 14, 2016
- Nova is a leading Class II US gaming technology company with 21 FTEs
- Provides a strong complementary fit with Ainsworth
- At the time of acquisition Nova had over 30 Class II titles, 1,425 units on participation and licenses to sell titles in 11 states and over 58 jurisdictions
- Since acquisition, Nova has provided Ainsworth an additional 1,511 units under gaming operation.
- Integration complete with pleasing contribution to FY16 results
- Scope to expand growth into new territories

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North America Market Penetration by Total Placements



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Continued Development of Top Performing Brands in North America

Top Performing Brands

- All brands listed are performing at an average index of 1.0% to 2.2% of house average



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Full Integration of Class II into Popular Ainsworth Hardware



ATLAS-100 **A560N-H** **A560N-L** **A560N-S32**

All cabinets above are currently available in Class II markets

AINSWORTH EXPERIENCE COUNTS

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Significant Development of Class II Titles





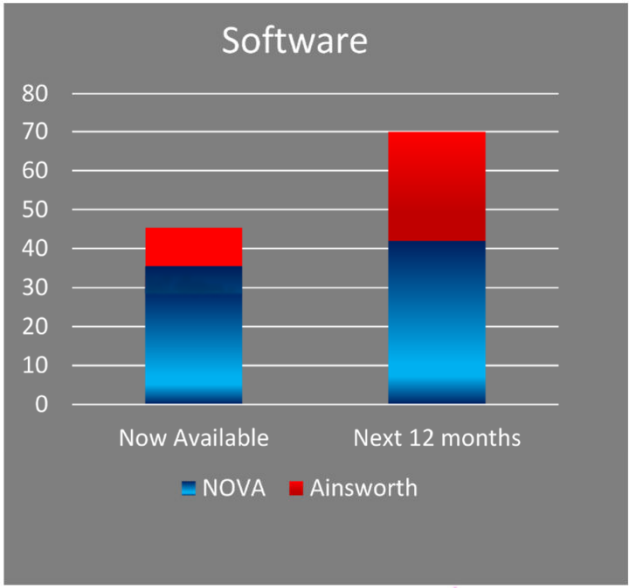








	Available Now	Available in the Next Year
NOVA TECHNOLOGIES, LLC	35	42
AINSWORTH EXPERIENCE COUNTS	10	28
	45	70

















AINSWORTH EXPERIENCE COUNTS

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Segment Results – Americas

Strong product acceptance and growth from jurisdictions across the region:

- 32% increase in units sold
- Mexico is largest market in region for AGI representing 32% of units sold
- Strong penetration in Argentina which represents +24% of unit sales
- 37% increase in the Gaming Operations install base.
- Mexico and Peru had the largest gains in install base
- Yield increased 27% to USD$19 per day
- Continued growth in Caribbean markets

Latin America

A$m	12 months ended 30-Jun-2016	12 months ended 30-Jun-2015	Change (%)	Change (%)
Revenue	**74.8**	**50.3**	▲	**49%**
Segment Profit	**34.0**	**20.2**	▲	**68%**
Segment Profit (%)	45%	40%	▲	5%
Unit Volume (no.)	2,923	2,219	▲	32%
ASP (US$'000's) *	15.5	15.4	▲	1%
Units on Trial	102	98	▲	4%
Game Operations – Installed Base	1,794	1,311	▲	37%
Ave per Day (US$)	**19**	**15**	▲	**27%**

*Excludes distributor sales , reworks and on-charges

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Continued Development of Top Performing Brands in Latin America

Top Performing Brands

- All brands listed are performing at an average index of 1.2% to 2.8% of house average



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Segment Results – Rest of the World

- Increased sales contribution from Europe, NZ and South Africa (new market)
- FY16 benefited from a significant shipment to SkyCity Auckland and sales into South Africa
- Good pipeline of further sales within Asia (e.g. Tiger Resorts)

A$m	12 months ended 30-Jun-2016	12 months ended 30-Jun-2015	Change (%)	Change (%)
Revenue	**18.2**	**14.6**	▲	**25%**
Segment Profit	**10.0**	**8.5**	▲	**18%**
Segment Profit (%)	55%	58%	▼	(3%)
Unit Volume (no.)	1,037	872	▲	19%
Units on Trial	102	125	▼	(18%)

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Gaming Products







WIN STORM

MEGA Shot

FIRE Money

ICE Money

GRAND FORTUNE

THUNDER GOLD

THUNDER MONEY

DREAM STRIKE

LUCKY WAYS

ULTIMATE Gold

DOUBLE Shot Gold

QUAD Shot

TRIPLE Shot

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Product Review

Australia

- Strengthened our legacy product offering into New South Wales and Queensland across a number of established brands such as Double Shot™, Quad Shot™ & now Triple Shot™
- Releases new concept Win Storm™ in key markets and developing Mega Shot™ concept as a multi denomination product.
- Increase diversity of game concepts by introducing third party developed games to the reliable Ainsworth platform such as Lucky Ways™

North America

- Establishing Game Design and Graphic Arts teams in the Las Vegas office to develop North American unique product.
- Approval & Release of Key A600™ game link concept Cash Odyssey™
- Further develop successful brands such as Gold Awards Series & Sweet Zone on the A560SL™
- Release Licenced premium product on A640™ with participation – Three Amigos™, Cinderella™ and King Kong™ on schedule for G2E

Latam

- The entire game portfolio produced excellent results with Quad Shot™, Piñata Pays™, Sweet Zone™ and MultiWin™ the stellar game brand performers
- Introduce LATAM specific Link product based on proven math models such as Dream Strike™ on A600™ platform
- Released Thunder Wilds™ on the A560SL™ platform as a Link

Rest of World

- A600™ platform was launched in selected markets
- Product performance across all market segments remained at benchmark levels
- Notable game releases during the period were:
  - Grand Fortune™
  - Oriental Express™
  - Cash Odyssey™

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Regulatory Update

Continuing strategy to deliver new jurisdictions based on detailed market assessment of commercial opportunities.

From 1 July 2015 to current, the AGT group has secured the following new gaming licenses:

Bahamas
Delaware
Louisiana (Indian Gaming Unit)
New Mexico
Nova Scotia
Puerto Rico

In addition 37 new tribal licences were secured across:

Alabama* (1)
Arizona (1)
California (5)
Florida (1)
Kansas (3)
Louisiana* (4)
Michigan (1)
New Mexico (2)
New York (1)
Oklahoma (9)
Oregon (1)
Texas* (1)
Washington* (7)

* Some or all are Class II licences

The AGT Group has submitted gaming license applications with the states of Colorado and Washington and additional tribal applications in California, Oklahoma, Texas and Washington.

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Online

Ainsworth's interactive strategy is focused on building revenue growth via the distribution of its best performing land based and innovative SL game titles both in real money gaming and social gaming. In addition, Ainsworth has capitalised on opportunities to grow the social gaming business by developing new game titles and signing third party licensing agreements.

Real Money Gaming:

- Successful integrations with platforms: Microgaming Ltd, NYX and iSoftbet
- 10 games provided for initial launch with above listed platforms have been performing well in their early stages
- Other opportunities in regulated European markets are in the early stages of assessment

Social Gaming:

- Ainsworth's second social casino, King Spin™ Slots App, was successfully launched in conjunction with 616 Digital LLC on Android and IOS
- The synergy between Ainsworth and 616 Digital has been reflected in the continuous strong performance of Players Paradise™ Slots App
- New content licensing agreements with Zynga and Playstudios/MGM Resorts

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Novomatic Update

- On the 27th June 2016, shareholder approval was granted for Mr LH Ainsworth (including entities controlled by him) to sell 172.1m of his ordinary shares to Novomatic AG. The licensing process is on-going with other regulatory approvals expected to be completed by end of August 2016
- Strategy to deliver on synergies, as detailed in Notice of Meeting (NOM) dated 4th May 2016
- Initial progress encouraging with early exploration of game library and co-operation in key North American market

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Outlook

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- Latin America revenues up 49%, profit up 68%
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- Excluding foreign currency gains and significant items outside ordinary business activities, underlying EBITDA was $95.2m, +12%

Focus on continuing growth in international business with new Las Vegas facility in operation, recovery through innovative game development in domestic markets and the progression to deliver on the expected synergies with Novomatic in FY17.

FY17 has started inline with expectations, trading update to be provided at the AGM.