Ardent Leisure Group

2014 Full Year Results

Contents

FY14 Financial Summary

	FY14	FY13	
Revenue[1]	$499.7m	$448.9m	11.3%
Core earnings[2]	$58.2m	$50.3m	15.7%
Statutory Profit	$49.0m	$35.6m	37.6%
Core EPS[2]	14.40c	13.14c	9.6%
DPS	13.00c	12.00c	8.3%

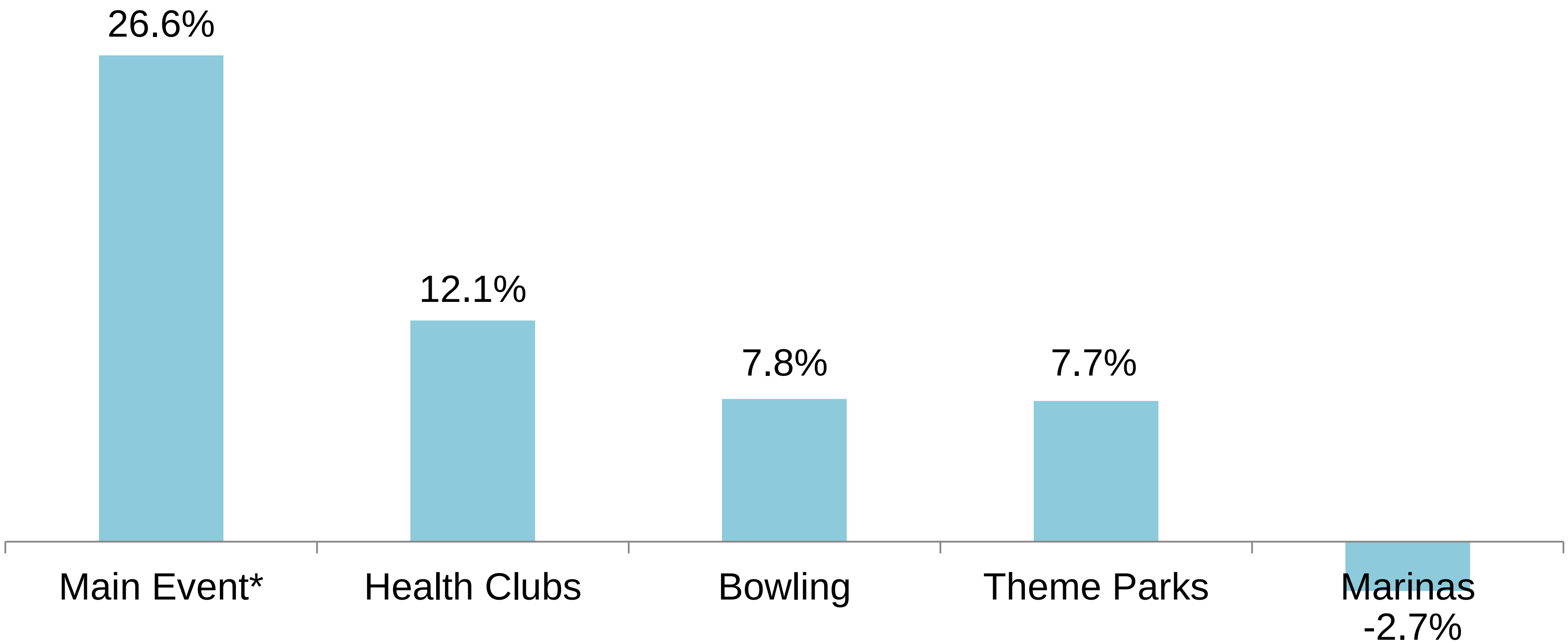
Movement based on prior corresponding period (pcp)

(1) From operational activities excluding property revaluations, gains on derivative financial instruments, interest income, gain on acquisition and gains on asset disposals.

(2) Adjusted for unrealised gains on derivative financial instruments, property revaluations, straight-lining of fixed rent increases, pre-opening expenses, IFRS depreciation, amortisation of Health Clubs intangible assets, loss on sale and leaseback of family entertainment centres, business acquisition costs, loss on closure of bowling centre, gain on acquisition and the tax associated with these transactions.

FY14 Commentary

– The EBITDA performances of the Group's businesses compared to the prior year were as follows:



* US$ EBITDA growth

FY14 Highlights

- Further strengthening of Main Event trading trends with EBITDA up 26.6%. Solid pipeline of new developments secured for FY15 and beyond.
- Health Clubs EBITDA up 12.1% supported by like for like earnings growth and contributions from acquisitions of Hypoxi, Port Melbourne and Camberwell clubs, which are trading positively and ahead of plan.
- Theme Park division recorded 7.7% EBITDA growth with rebound in domestic and international visitation in second half.

FY14 Highlights (cont.)

- Bowling operational restructure delivered 7.8% EBITDA growth, with division now recording positive revenue growth (July revenues up 3.6%).
- Marinas division delivered stable revenue and EBITDA results.
- Announced binding agreement to acquire Fitness First's Western Australia portfolio of 8 health clubs ("Fitness First WA") on 6th August, along with acceleration of Main Event rollout and associated \$50m placement and \$15m SPP.

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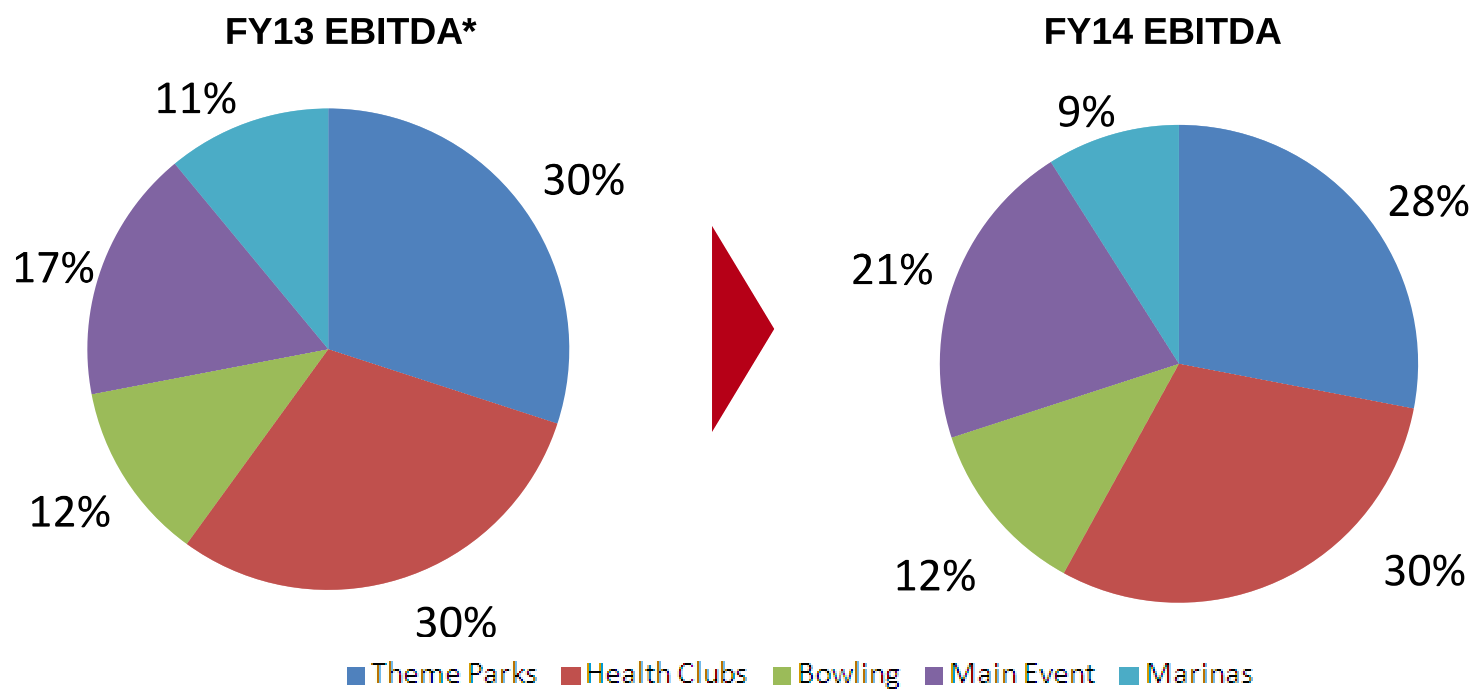
- Performance of the Group is a reflection of strong demand for affordable leisure product and the Group’s continuing earnings diversification.

Consistently driving earnings growth through portfolio diversification



* EBITDA is earnings before interest, tax, depreciation and amortisation.

Main Event Entertainment

US$'000	FY14	FY13	% Change
Total revenue	89,254	73,543	21.4
EBRITDA (ex pre-opening)	33,513	27,213	23.2
Operating margin	37.5%	37.0%	
Property costs	(11,112)	(9,513)	16.8
EBITDA	22,401	17,700*	26.6

* Restated from prior year to exclude US$544k of state sales tax now reclassified into tax expense.

Main Event Entertainment

US$'000	FY14 Revenue	FY13 Revenue	% Change	FY14 EBRITDA	FY13 EBRITDA	% Change
Constant Centres	70,148	67,149	4.5	31,828	29,031	9.6
New Centres	19,106	6,394	198.8	8,467	2,759	206.9
Corporate and regional office expenses	-	-	-	(6,782)	(4,577)	48.2*
Total	**89,254**	**73,543**	**21.4**	**33,513**	**27,213**	**23.2**

***** Continued investment in Executive team, IT capability and regional support for expanded portfolio.

Main Event Full Year Commentary

- Total revenue grew 21.4%, delivering exceptional EBITDA growth of 26.6%.
- Constant centre revenue growth of 4.5% assisted by improved food and beverage offerings and amusement game contribution. Value based promotions and growth in Corporate, Group and Social League events has driven guest spend.
- Continued focus on our guest experience has increased guest satisfaction results.
- Full executive team in place to facilitate national rollout, with VP Operations, Wayne Stancil and VP of IT, Tamy Duplantis appointed in second half.
- Our newest centres in Katy, Stafford and Tempe continue to deliver above portfolio average revenues and earnings.

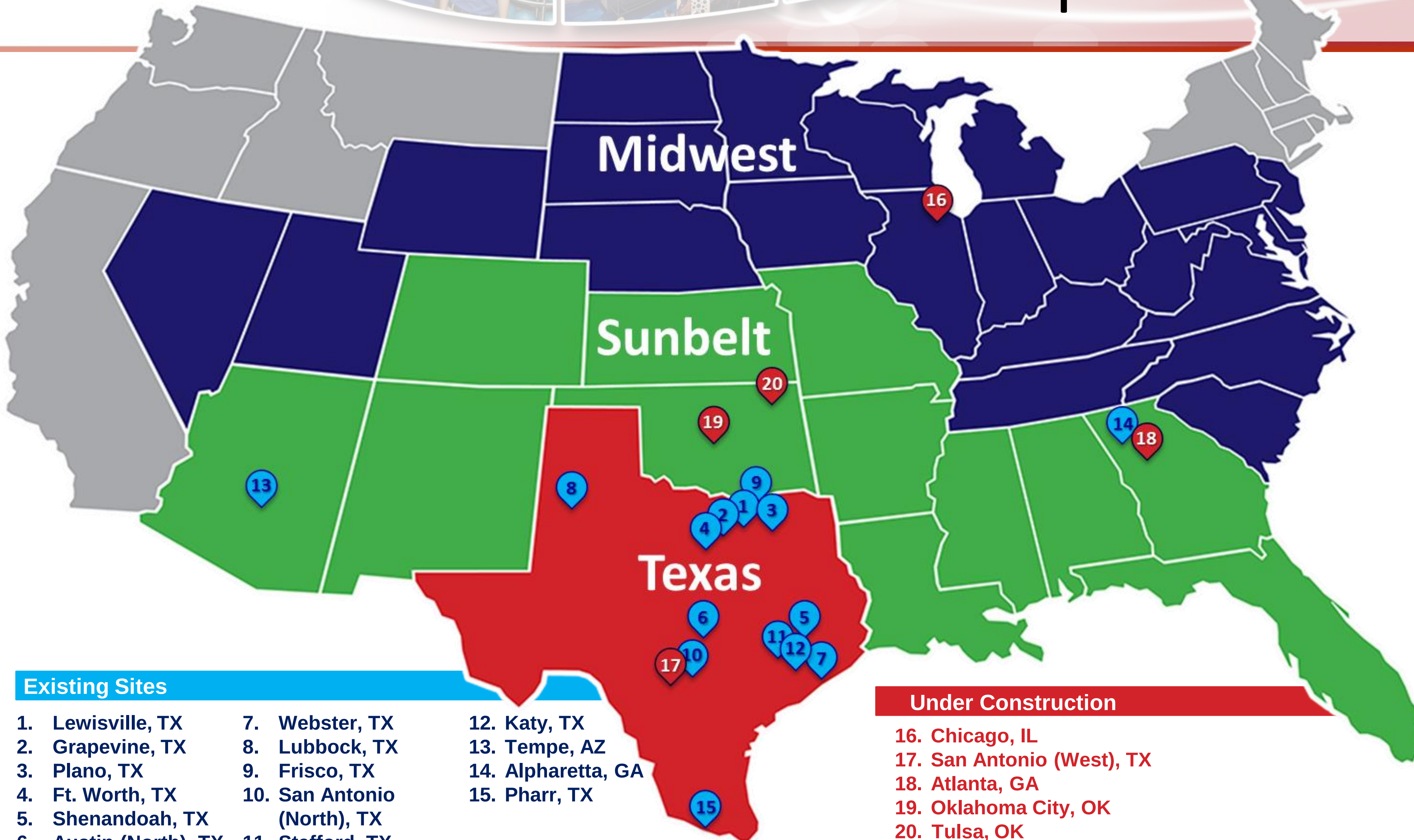
Main Event Outlook

- July revenues of US$9.6m were up 25.3% on July 2013 with constant centre revenue up 13.3%.
- 14th centre in Alpharetta, Georgia opened on June 26, and 15th centre in Pharr, Texas opened on August 6th.
- Construction well advanced on a further five new sites due to open in FY15:

Warrenville (Chicago), Illinois (Sept 14)	Oklahoma City, Oklahoma (Dec 14)
West San Antonio, Texas (Sept 14)	Tulsa, Oklahoma (Mar 15)
Parkway Point, Atlanta, Georgia (Nov 14)	

- Negotiations advanced on 7 new sites for FY16 openings.
- Preliminary investigations underway on 8 new sites for FY17 openings.

Main Event Portfolio & Development Sites



Existing Sites

1. Lewisville, TX
2. Grapevine, TX
3. Plano, TX
4. Ft. Worth, TX
5. Shenandoah, TX
6. Austin (North), TX
7. Webster, TX
8. Lubbock, TX
9. Frisco, TX
10. San Antonio (North), TX
11. Stafford, TX
12. Katy, TX
13. Tempe, AZ
14. Alpharetta, GA
15. Pharr, TX

Under Construction

16. Chicago, IL
17. San Antonio (West), TX
18. Atlanta, GA
19. Oklahoma City, OK
20. Tulsa, OK

Health Clubs

$'000	FY14	FY13	% Change
Total revenue	164,070	140,689	16.6
EBRITDA (ex pre-opening)	70,249	60,032	17.0
Operating margin	42.8%	42.7%	
Property costs (ex straight line rent)	(36,259)	(29,703)	22.1
EBITDA	33,990	30,329	12.1

Health Clubs

$’000	FY14 Revenue	FY13 Revenue	% Change	FY14 EBRITDA	FY13 EBRITDA	% Change
Constant clubs	100,291	97,563	2.8	50,859	48,341	5.2
Clubs closed	1	615	(99.8)	(11)	98	(111.2)
New clubs/acquisitions	62,840	42,352	48.4	32,150	22,052	45.8
Corporate and regional office expenses/sales and marketing	938	159	489.9	(12,749)	(10,459)	21.9
Total	**164,070**	**140,689**	**16.6**	**70,249**	**60,032**	**17.0**

Health Clubs Full Year Commentary

- Continued growth with EBITDA up 12.1% supported by full year earnings from acquisitions and continued like for like earnings growth.
- Constant club EBRITDA up 5.2% with increased personal trainer penetration and disciplined cost control.
- Health club acquisitions at Port Melbourne and Camberwell together with Hypoxi Australia and NZ are trading positively and ahead of plan.
- Investment in remodeling clubs to increase functional training zones is providing greater personal training capacity, with low capital investment.
- Growth in Corporate and Regional costs reflect overheads associated with acquisition of Fenix and Fitness First SA clubs.

Health Clubs Outlook

- July revenues of $14.1m up 3% on July 2013.
- Increased portfolio scale now delivering benefit through improved equipment purchasing and better procurement opportunities.
- A minimum of three new in-club Hypoxi studios planned to complement five existing in-club studios.
- Cost effective investment in club refits will allow further member growth through increased personal training, small group training and new class offerings. 17 clubs planned for functional training refits in FY15.
- Technology enhancements in the first half will enable fully digital member on-boarding process, which is expected to positively impact member yields, experience and engagement.

Health Clubs Outlook (cont.)

- Binding agreement reached to acquire Fitness First's Western Australian portfolio of 8 health clubs ("Fitness First WA").
- Established large clubs with modern facilities superior to Goodlife WA portfolio.
- Acquisition price of $32.5 million[1] – 5.27x pro forma EBITDA[2].
- Western Australia is Goodlife's strongest performing state and the least competitive in the Australian fitness market.
- Creates the state's largest full service health club chain, with a compelling portfolio of 14 Perth clubs.
- Adds two CBD locations, delivering value to existing members with potential to positively impact performance of existing club portfolio through enhanced passport benefits.
- The acquisition provides significant earnings growth potential with Goodlife's WA portfolio average club membership currently 19% higher than Fitness First WA's average club membership. Following previous Fitness First portfolio acquisition, Goodlife increased average club membership by 20% in the first 18 months.

(1) Purchase price includes A$2.5m deferred payment payable 12 months after Completion. Excludes upfront capital expenditure, transaction costs associated with the acquisition & capital raising.
(2) Forecast EBITDA during first full 12 months under Goodlife management.

Bowling

$'000	FY14	FY13	% Change
Total revenue	113,889	115,230	(1.2)
EBRITDA (ex pre-opening)	38,907	36,381	6.9
Operating margin	34.2%	31.6%	
Property costs (ex straight line rent)	(25,142)	(23,608)	6.5
EBITDA	13,765	12,773	7.8

Bowling

$’000	FY14 Revenue	FY13 Revenue	% Change	FY14 EBRITDA	FY13 EBRITDA	% Change
Constant centres	107,858	109,944	(1.9)	50,249	49,798	0.9
Centres closed	297	1,099	(73.0)	32	332	(90.4)
New centres	5,704	3,991	42.9	2,825	1,575	79.4
Corporate and regional office expenses/sales and marketing	30	196	(84.7)	(14,199)	(15,324)	(7.3)
Total	**113,889**	**115,230**	**(1.2)**	**38,907**	**36,381**	**6.9**

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Bowling Full Year Commentary

- EBITDA up 7.8% with operational efficiency reviews and procurement initiatives driving margin improvement to 34.2% against 31.6% in the prior year.
- School Holidays performance continues to grow with our focus on exciting and entertaining our customers and improving the service proposition.
- Portfolio segmentation strategy is underway to create stronger and separate identities in three key segments – Bowling, Family Entertainment and Amusement Games.
- City Amusements in Sydney CBD acquired in May 2014 and part of segmentation strategy.
- New CEO, Nicole Noye, has strong background in multi-site operations and will drive new revenue and digital marketing opportunities.
- New sites secured for FY15 openings – Darwin and Revesby Workers' Club.

Bowling Outlook

- July revenues of $12.9m up 3.6% on July 2013, with strong traffic throughout school holiday trading.
- Review of Food and Beverage offer underway with new sites to incorporate upgraded contemporary offer to drive social traffic.
- A number of key digital projects underway, including an improved, online booking capability.

Theme Parks

$'000	FY14	FY13	% Change
Total revenue	100,139	97,086	3.1
EBRITDA	33,867	32,211	5.1
Operating margin	33.8%	33.2%	
Property costs	(1,068)	(1,761)	(39.4)
EBITDA	32,799	30,450	7.7

Attendance[1]	2,042,164	1,874,951	8.9
Per capita spend ($)	49.04	51.78	(5.3)

Theme Parks Full Year Commentary

- Revenue growth of 3.1% and improved operating margins delivered 7.7% growth in EBITDA for the full year.
- SkyPoint business continues to perform well, with attendances up 18.1% boosted by inclusion in Unlimited Worldpass and growth in events and Climb revenue.
- Theme Park Capital campaign increased awareness in interstate and NZ markets and helped deliver 7.8% revenue growth in second half.
- Continued shift to online and digital sales channels, while maintaining focus on trade and industry relationships. Online sales now represents over 30% of total revenue.
- Dreamworld Corroboree indigenous attraction has strengthened appeal to Group, Education and International markets providing a unique point of difference in the market. Won Queensland Premier’s Award for Reconciliation initiatives.
- Continued to implement initiatives that enhance customer experience and create opportunities for greater interaction with our team.

Theme Parks Outlook

- July 2014 revenues of $9.0m marginally lower than July 2013 of $9.4m.
- Successful annual pass campaigns and higher prepaid ticket sales have generated deferred income of $3.45 million as at the end of July, up 72.6% on deferred income of $2.00 million as at 31 July 2013. This income will be released to earnings as tickets are redeemed in-park.
- Continued focus on e-Comm, digital and direct sales strategy will cost effectively target new business and assist in improving yield.
- New Tailspin thrill ride and Triple Vortex waterslide will launch in time for September school holidays.
- Currently implementing new Food and Beverage strategy including three new outlets in first half FY15 to fundamentally upgrade the product offering and encourage repeat visitation.

Marinas

$'000	FY14	FY13	% Change
Total revenue	23,466	23,141	1.4
EBRITDA	12,944	13,034	(0.7)
Operating margin	55.2%	56.3%	
Property costs	(2,548)	(2,347)	8.6
EBITDA	10,396	10,687	(2.7)

Marinas Revenue Breakdown

$'000	FY14	FY13	% Change
Berthing	12,812	12,891	(0.6)
Land	5,375	5,459	(1.5)
Fuel and other	5,279	4,791	10.2
Total	**23,466**	**23,141**	**1.4**

Marinas Full Year Commentary

- Full year occupancy up from 83.5% to 84.2% with a slight decrease in average berthing rates.
- Land revenues largely in line with prior year, with land portfolio at close to full occupancy.
- Fuel and other revenues up 10.2% on prior year assisted by favourable weather conditions and an increase in the commercial customer base.
- EBITDA was down 2.7% on prior year, primarily through an increase in property costs in land tax and head lease rents. Property costs are expected to normalise in FY15.

Outlook

- July 2014 revenues of $1.73m up 1.8% on prior year.
- Positive autumn weather has resulted in stronger winter occupancies and solid trading momentum into FY15.

Group Financial Results for the Year Ended 30 June 2014

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$ million	FY14 Theme Parks	FY14 Marinas	FY14 Bowling	FY14 Main Event	FY14 Health Clubs	FY14 Other	FY14 Group Total	FY13 Group Total	% Change
Operating revenue	**100.1**	**23.5**	**113.9**	**98.1**	**164.1**	**-**	**499.7**	448.9	**11.3%**
Division EBRITDA[1]	**33.9**	**12.9**	**38.9**	**36.9**	**70.2**	**-**	**192.8**	168.6	**14.4%**
Property costs[2]	(1.1)	(2.5)	(25.1)	(12.2)	(36.2)	-	(77.1)	(66.8)	15.4%
Division EBITDA[1,2]	**32.8**	**10.4**	**13.8**	**24.7**	**34.0**	**-**	**115.7**	101.8	**13.7%**
Depreciation and amortisation[3]	(5.0)	(0.9)	(7.3)	(6.6)	(6.9)	(0.5)	(27.2)	(22.6)	20.4%
Division EBIT[1,2,3]	**27.8**	**9.5**	**6.5**	**18.1**	**27.1**	**(0.5)**	**88.5**	79.2	**11.7%**
Corporate costs[4]							(12.5)	(11.2)	11.6%
(Loss)/gain on disposal of assets[4]							(0.5)	0.3	(266.7)%
Other income/expenses (including derivative gains and losses)[4]							-	0.4	(100.0)%
Interest income							0.2	0.2	0.0%
Interest expense							(11.3)	(12.3)	(8.1)%
Tax[4]							(6.2)	(6.3)[5]	(1.6)%
Core earnings							**58.2**	**50.3**	**15.7%**

(1) Excludes pre-opening costs.
(2) Excludes straight line rent.
(3) Excludes IFRS depreciation and Health Clubs intangibles amortisation.
(4) Normalised to exclude adjustments to core earnings – see slide 37.
(5) Restated from prior year to exclude US$0.6m of state sales tax from EBRITDA to tax expense.

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Capital Expenditure

	FY14 routine capex $m	FY14 development capex $m
Theme Parks	8.5	-
Marinas	2.6	0.1
Bowling	4.6	0.1
Main Event	5.5	51.3[1]
Health Clubs	7.2	6.2[2]
Corporate	1.8	-
Total	**30.2**	**57.7**
Depreciation (excl IFRS)	27.2	**-**

(1) Includes capex expended on Tempe land and building, subsequently sold and leased back for proceeds of $10.6m.
(2) Health Clubs development capex is net of $1.2 million landlord contributions.

Consolidated group ($ million)	30 June 2014	30 June 2013
Assets		
Theme Parks	259.8	246.6
Excess land	2.4	2.4
Marinas	103.7	101.4
Bowling	131.2	134.2
Main Event	138.2	102.4
Health Clubs	211.7	200.3
Other	6.0	12.4
Total Assets	**853.0**	**799.7**
Liabilities		
Bank debt	260.2	227.6
Other	87.3	84.8
Total Liabilities	**347.5**	**312.4**
Net Assets	**505.5**	**487.3**

Capital Management

- Fitness First WA acquisition and accelerated Main Event rollout to be funded with a combination of equity from a $50m placement and associated $15m SPP, the debt facility and retained earnings.

- Agreement reached (subject to documentation) with lead banks to increase US$ facility by US$40 million to US$160 million, to provide additional funding for US expansion opportunities.

- The Group strategy is to grow core EPS at a higher rate than DPS.

- The Group uses the Distribution Reinvestment Plan (DRP) when appropriate.

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Capital Management – Bank Facility

- At 30 June the Group has the following bank facilities:

	Facility $m	Drawn $m
A$ maturing July 2016	100.0	100.0
A$ maturing July 2017	100.0	63.4
US$ maturing July 2016 (US$90m)	95.4	92.5
US$ maturing July 2017 (US$30m)	31.8	5.6
	327.2	**261.5**

Capital Management – Bank Covenants

- There are three covenants in place for the Group facility:

	Covenant	Group 30 June 2014
Gearing	<40%	34.1% [1]
FCCR	>1.75	2.1
Debt serviceability	<3.25	2.6

- Agreement has been reached with the lead syndicate banks to remove the gearing covenant.

(1) Expect to be around 31% after $50m placement and before SPP

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Capital Management – Interest & Foreign Exchange

- At 30 June 2014, the Group had 50.4% of interest on debt facilities fixed through interest rate swaps.
- At 30 June 2014, the weighted average rate, including margin, was 5.15% for AUD debt and 1.81% for USD debt.
- US earnings are 100% unhedged and will benefit from any further strengthening of US$.

Appendices

Appendix 1

Core earnings reconciliation to statutory profit $ million	FY14	FY13	% Change
Core earnings	**58.2**	**50.3**	**15.7%**
Pre-opening costs	(2.6)	(2.5)	4.0%
Straight line rent expense	(1.5)	(1.3)	15.4%
IFRS depreciation	(8.6)	(6.9)	24.6%
Amortisation of Health Clubs intangibles	(6.4)	(7.8)	(17.9)%
Tax impact of adjustments	3.4	2.3	47.8%
Gain on acquisition	-	2.6	(100.0)%
Revaluations	8.6	0.1	8,500.0%
Unrealised (loss)/gain on derivatives	(0.6)	0.3	(300.0)%
Loss on disposal of bowling centre	(1.6)	-	-
Gain on sale and leaseback of family entertainment centre	0.4	-	-
Business Acquisition costs	(0.3)	(1.5)	(80.0)%
Statutory profit	**49.0**	**35.6**	**37.6%**

Property valuations

Property	No. of Assets	Book value[1] Pre reval $m	Book value Post reval $m	Change $m	% change	Valuation methodology
DW/WWW	1	218.4	227.0	8.6	3.9	Cap rate/ DCF
SkyPoint	1	18.9	22.5	3.6	19.0	Cap rate/ DCF
Excess land	1	2.4	2.4	-	-	Direct comparison
Marinas	7	101.1	101.1	-	-	Cap rate/ DCF
Bowling Freehold	1	1.9	1.9	-	-	Vacant possession, highest and best use
Total	**11**	**342.7**	**354.9**	**12.2**	**3.6**	

(1) Property values at 30 June 2013 plus 12 month capex less 12 month depreciation.

Disclaimer

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The information contained herein is current as at the date of this presentation unless specified otherwise.