

**ASX RELEASE
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**STRONG GROWTH DELIVERS 67% INCREASE IN NET PROFIT BEFORE
TAX TO \$6.1 MILLION AND INCREASED DIVIDEND**

eBET Limited (ASX: EBT) ("eBET") today announced a strong result for the financial year ending 30 June 2015. Statutory net profit before tax (NPBT) increased by 67 per cent on the prior year's result, to \$6.1 million, exceeding guidance previously announced by the Company, of \$5.5 million to \$5.8 million.

Revenue for the financial year increased 26 per cent, to \$51.6 million. Recurring revenue, a key focus for the Company, grew by 19 per cent, to \$25.7 million. Earnings per share (EPS) rose to a record 51.11 cents, up by 169 per cent on the prior year.

eBET declared a significant increase of 155% in the annual dividend, to 14 cents per share (Note: in the prior year, the shareholders also received a return of capital of 6 cents per share. This was as a result of the proceeds of the sale of the Company's US based eBET Online joint venture).

Financial Highlights	Statutory results		
	FY15 (\$,000)	FY14 (\$,000)	% change
Revenue	51,608	40,817	+26%
Recurring revenue	25,746	21,614	+19%
Gross Margin	34,211	28,097	+22%
Gross Margin %	67	70	-4%
EBITDA	10,554	7,177	+47%
NPBT	6,056	3,624	+67%
NPAT	8,932	2,909	+207%
EPS (cents)	51.11	18.98	+169%
Dividend (cents per share)	14.0	5.5	155%

Commenting on the results, Dr Ken Carr, eBET CEO and Managing Director, said, "The result demonstrates the strong growth and operational leverage the business has delivered through focusing on growing the core gaming systems business, and achieving enhanced efficiencies through increased scale.

"The strong growth in revenue, profitability and operating cash flow is a result of the significant expansion of our national footprint and the increased take-up of our enhanced range of value-added gaming systems solutions.

“The business continues to perform solidly, underpinned by eBET's sound financial position. eBET is ideally placed to sustain its growth momentum while continuing to deliver superior returns for our shareholders.”

Expansion of EGM Network

During the year, the Company continued to expand the footprint of its electronic gaming machine (EGM) network. The number of EGMs in its network grew to 69,874.

Dr Carr commented, “The strong growth in the EGM network was achieved through delivering its large scale projects, on time and on budget. These include the integration of the Flexi-NET gaming systems business, the successful roll-out into Victoria and an expanded presence in the hotel market.”

The Flexi-NET gaming systems business (Flexi-NET), acquired in July 2014, was fully integrated into the business during the year, adding an additional 8,100 EGMs to eBET's network, across 84 venues, with 2 since upgraded to Metropolis systems. The business outperformed compared to forecasts at the time of acquisition, primarily driven by our focus on customer retention, and there has been no loss of any Flexi-NET venue.

During the year, eBET signed agreements that marked its entry into the Victorian market. Agreements were reached with 102 venues, operating over 5,300 gaming machines, with the Company successfully completing installation at 66 venues, representing 3,294 EGMs. All remaining venues have since been scheduled for installation prior to 1st October 2015.

In October 2014, eBET successfully expanded its penetration of the hotel market through signing an agreement with one of Australia's largest independent hotel groups, the Redcape Hotel Group. The successful roll-out to Redcape's 719 EGMs, across 23 venues, provides an excellent example of the opportunity for the Company to further grow its EGM network through the targeting of large hotel groups.

Business Segments

	FY15 (\$,000)	FY14 (\$,000)	% change
Statutory Revenue	51,608	40,817	+26%
Gaming Systems	24,330	13,814	+76%
Gaming Operations	25,746	21,614	+19%
Gaming Machines	892	4,707	-81%
Other	640	682	-6%

Strong growth in Gaming Systems sales revenue, up 76 per cent to \$24.3 million, was driven by increased uptake of eBET's leading-edge gaming solutions by new and existing customers. Importantly, the strong growth in Gaming Systems sales is a leading indicator for continued growth in future recurring revenues.

During the year, the Company continued its strategy of growing recurring revenue, with Gaming Operations revenue growing to \$25.7 million, an increase of 19 per cent compared to the year prior. Recurring revenues provide enhanced business stability and certainty, and are higher margin.

Gaming Systems – sales

Gaming Systems sales revenue growth, up 76 per cent from the prior year, was driven by the continued strong up-take by venues of eBET's core gaming systems technologies and valued-added solutions.

During the year, Metropolis™, eBET's latest gaming systems technology platform, was installed in 135 new venues with an additional 55 venues being upgraded. This resulted in a total of 34,115 EGMs running Metropolis™, up 23 per cent on the prior year, and representing a penetration of 49 per cent of eBET's total network.

eBET's unique card-based gaming functionality, CARD-IT™, continued to achieve positive market acceptance with an additional 92 venues, operating 6,170 EGMs, being installed during the year. This resulted in CARD-IT™ now extending to 235 venues and a total of 22,783 EGMs. We now believe there is over 1 million CARD-IT™ users in NSW and Queensland.

Significant growth was achieved in the take-up of the Engage™ suite of venue marketing applications. During the year, the number of EGMs running Engage™ increased to 6,017 EGMs, and with the final implementation of Victoria will grow to a total of 7,081 EGMs.

Gaming Operations – recurring revenues

Gaming Operations revenue, which increased by 19 per cent on the prior year, represents the recurring revenue generated by the eBET Systems business and revenues from the Odyssey Gaming business in Queensland.

eBET Gaming Systems' recurring revenue of \$14.3 million increased by 27 per cent on the prior year. This was a result of the recurring revenues generated through the expanded EGM network installed with eBET's gaming systems technologies, including Metropolis™, CARD-IT™, Engage™ and Astute BI.

The Company continues to focus on growing recurring revenue through expanding the range and functionality of its innovative, marketing-leading, value-added solutions. In May 2015, the Company commenced a trial of TRACE, a venue loyalty suite of applications ("apps"), at a venue in Queensland. TRACE, along with other gaming solutions under development, is expected to drive future growth in recurring revenues.

Odyssey Gaming revenue increased to \$11.4 million, up 11 per cent on prior year. The increase in revenue is due to an increase in the transition to Metropolis based systems. The Queensland-based gaming network now has 17,098 EGMs. Additionally, sales of CARD-IT™ continued to experience strong take-up in Queensland, with 11 venues installing the system during the year. The total number of EGMs operating CARD-IT™ in Queensland is now 3,961.

Additionally, Odyssey Gaming continues to focus on further market share growth through targeting large gaming venues. Prior to the end of the financial

year, an agreement was signed with Redcliffe Leagues Club, one of Queensland's largest gaming venues. The Metropolis™ system and CARD-IT™ is now installed and operational on the 300 EGMs which this venue operates.

Expenses

Total operating expenses increased to \$28.3 million. This represents an increase of \$3.3 million or 13%, as compared to the prior year.

The increase in operating costs was primarily driven by the one-off acquisition costs of Flexi-NET (\$0.5 million) and associated additional expenditure, including amortisation (\$0.5 million) and salaries and wages (\$0.6 million).

Other operating costs increased as the business continued its strategy of expanding its Gaming Systems footprint.

Deferred Tax Asset

During the year, a substantial adjustment to the Deferred Tax Asset of \$3.1 million has been recognised, in accordance with the Accounting Standards. This was made up of \$2.0 million in capitalised tax losses (Revenues), \$0.7 million in timing differences of intangibles and \$0.4 million from other movements in timing differences.

In addition, during the year the Company utilised \$1.3 million in tax losses and \$1.7 million in R&D tax credits. As at 30 June 2015, no further R&D tax credits were available for capitalisation.

Given the complexity and variables involved in calculating the current year tax impact and ability to utilise available tax losses in future periods, the Company considers net profit before tax (NPBT) as a better reflection of the operating performance of the business.

Capital Management

The Board of eBET continues to actively manage the Company's capital to enable ongoing debt reduction and appropriate funding of available growth opportunities, in order to deliver superior returns to shareholders.

Operating cash flow during the financial year increased by 48 per cent, to \$5.3 million, compared to the year prior. This enabled a substantial 64 per cent reduction in debt as at 30 June 2015, to \$0.90 million.

In July 2014, the Company completed a share placement, raising \$8.3 million to fund the acquisition of Flexi-NET and supplement working capital.

This resulted in eBET's gearing ratio improving significantly to a healthy 1:45 (debt to equity) as at 30 June 2015.

Given the Company's strong business performance and cash generation, together with its solid financial footing and strong growth prospects, the Board considered it appropriate to declare a substantial increase in the annual dividend.

The Board has declared a dividend of 14 cents per share (cps) representing a 155 per cent increase on the 2014 annual dividend. The dividend will be 25 per cent franked and will be paid on 25th September 2015, with a record date of 26th August 2015.

Outlook

Commenting on the outlook, Dr Carr said, "We remain focused on our long term growth strategy of expanding our gaming systems footprint and increasing the adoption of our innovative value-added gaming solutions based on Metropolis™.

"The business continues to perform extremely well and we expect ongoing growth momentum to be delivered through recent investments in new markets and expansion of our range of gaming solutions.

"eBET's strong financial position and continuing growth momentum provide us with confidence in the Company's ability to take advantage of the future growth prospects that will underpin delivery of superior returns to shareholders."

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About eBET

eBET Limited is a leading-edge gaming solutions company that is listed on the Australian Securities Exchange (ASX: EBT) and has its headquarters in Sydney, Australia. The eBET Group of companies provide integrated gaming solutions, including gaming management systems, Licensed Monitoring Operator (LMO) services and business intelligence tools and expertise. eBET's commitment to excellence, continual innovation and superior client service mean the company is expanding its presence in a growing number of markets. The company currently has international operations and commercial agreements extending to over 800 customers, operating over 69,500 gaming machines in Australia, New Zealand and across Asia.

For more information on the eBET Group, please visit www.ebetgroup.com

This announcement contains or may contain forward-looking statements that are based on the Board's beliefs, assumptions and expectations derived from information presently available to management. All statements that address operating performance, events or development that the Company expects or anticipates will occur in the future are forward-looking statements, including without limitation the Company's expectations with respect to potential revenues, costs, profitability and financial performance. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. The Board believes that forward-looking statements are reasonable as and when made.