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The Blenheim Report

CONFIDENTIAL INTELLIGENCE REPORT

GAMING & ENTERTAINMENT SECTOR

November 2014

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We were founded in 2012 by leading figures in Executive Search and Consultancy. Members of the team have advised in Leadership and Succession Planning to over 45 of the ASX 100, 9 FTSE 100, Multinational, Private Family and Mutually Owned Companies.

Our philosophy is to develop deep and committed relationships with a small number of clients and help them deliver a superior performance by optimising the composition of their executive teams.

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- We operate as one firm. We staff each assignment with the best people.
- We support our client's long term planning capability with Strategic Succession Planning.
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- We provide an end to end search process, including Assessment and a 90 day On Boarding Programme.
- We provide a fixed fee of which the final 25% is only payable if our client assesses that expectations have been exceeded.
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Gaming & Entertainment Sector Overview

According to the latest Australian Bureau of Statistics data[1], total gambling turnover in Australia in 2012-13 was $175,851m, of which casinos account for $22,117m, and electronic gaming machines (EGMs) for $124,212m. In the most recent study undertaken in 2009 by the Productivity Commission[2], it was found that 70% of Australians are estimated to participate in some form of gambling each year. There were 5,700 pubs and clubs providing gaming; 4,500 TAB outlets; 4,700 lottery outlets; and 13 casinos. There were 198,300 EGMs in Australia, with annual revenue per EGM being ~$59,700, annual revenue per venue being ~$2.1m, and annual gaming machine losses per EGM player being ~$3,700 in NSW, ~$3,100 in Victoria and ~$1,800 in Queensland.

Technology & Innovation

Interactive gambling refers to the range of gambling activities that occur through media connected to the internet, and the term is often used interchangeably with terms 'internet', 'remote', or 'online' gambling. Interactive gambling is a joint term capturing gaming and wagering, and can be categorised as follows:

1. Interactive gaming includes playing games where outcomes are determined by random number generators, eg. Poker, roulette and virtual EGMs, as well as lotteries and keno.
2. Interactive wagering includes sports field or race track events, eg. Horse, harness or greyhound racing, where wagering takes place via the internet. Wagering can be made on the outcome of the event, a series of events or contingencies within an event.

Australia's *Interactive Gambling Act 2001* established a regulatory framework that makes it an offence to provide certain interactive gambling services to those physically present in Australia, with the exception of wagering and lotteries. The Act is considered to be fairly ineffective with evidence suggesting around 60% of the total value of interactive gambling, estimated to be US$1.6b in 2010, spent on illegal overseas based services[3]. Several reviews have been undertaken in response to, amongst other things, the proliferation of online gambling and subsequent growth of problem gambling, and the ability of the Act to keep up with new technologies, such as access via smart phones and tablets, yet no amendments have been made to date.

In research undertaken by Allens Consulting Group on behalf of the Department of Communications in April 2012[4], it was stated that the number of internet gambling sites globally has increased from 24 in 1995 to over 2,000. The international online gambling market was estimated to be worth US$29.3b in 2010, a 12% increase from 2009, and the market was expected to grow by 14% in 2011 driven by regulatory developments in some markets, and the continued growth in live sports wagering and mobile gambling. Since 2009, Australia[5] has seen a significant number of overseas bookmaking groups enter the $13b online wagering market, including Paddy Power, Ladbrokes and William Hill[5].

Another important area of continued focus for technology in the sector is its application to data analytics. Companies utilise loyalty programs to gather information on their customers using various sources, such as gaming, accommodation and restaurant spend, and then use this to decipher trends and refine marketing efforts for example.

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[1] http://www.qgso.qld.gov.au/products/reports/aus-gambling-stats/index.php

[2] http://www.pc.gov.au/projects/inquiry/gambling-2009/report

[3] http://www.gamblingresearch.org.au/resources/6482d5fa-f068-41e5-921f-facd4f10365e/interactive+gambling.pdf

[4] http://www.communications.gov.au/__data/assets/pdf_file/0004/155839/Allen_Consulting_Group-Online_gambling_and_in-the-run_betting.pdf

[5] http://www.smh.com.au/business/crown-buys-rest-of-betfair-for-10m-20140813-103giq.html

ARISTOCRAT LEISURE LTD (ASX:ALL)

Market cap: $4.32b (Nov2014) | **Employees:** ~2,200 | **Operations:** Australia, NZ, USA, UK, India, South Africa, Sweden, Argentina, Japan, Macau | **Head office:** North Ryde, NSW

Aristocrat Leisure Ltd is a leading global provider of land-based and online gaming products and support services to the gaming industry. It designs, develops, manufactures and markets a diverse range of products and services including electronic gaming machines (EGMs), video lottery terminal systems and casino management systems (CMS). The Group also operates within the online social gaming and real money wager markets. The Company is licensed by more than 200 regulators and its products and services are available in more than 90 countries around the world. It serves customers primarily in Australia, New Zealand, the Americas, the Asia Pacific, and Japan.

Products & Services: EGMs (slot machines), video lottery terminal systems, CMS, online social gaming, real money wager markets, online and in-field support services for EGMs and other equipment (repair and maintenance service and parts), customer support services. Key product offering:
1. Product sales: the sale of EGMs, including traditional "Australian" style and "Entertainment" style games.
2. Gaming operations: fixed daily fee or revenue share; in exchange, Aristocrat carries the fixed assets.
3. Systems/Online/Lotteries/Other: CMS – 'one off' sale plus recurring maintenance revenue; Online, including social and mobile games; and Lotteries, manufacture and sale of video lottery systems.

Technology & Innovation: Aristocrat's strategic priorities are aligned to market opportunities, and the Company strategy focuses on three key pillars including industry transformation. It is actively embracing industry transformation by leveraging new channels through content creation and enabling technology. Considerable investment has taken place in 2013 in the emerging social gaming category. It acquired an internet gaming system (IGS) and a remote game server (RGS), enabling them to deliver game content in both online wager and free-to-play environments. In addition it acquired Product Madness, Inc., a best-in-class social slots publisher. This marked the Company's entry into the fast growing social casino market.
- Real-money online gaming: Provide digital instances of core content to regulated online markets; and selectively expand into new jurisdictions, particularly North America.
- Social and mobile gaming: B2C business bringing content to Facebook, iOS & Android; now a meaningful business for Aristocrat (*Heart of Vegas* in Facebook); and continue expansion of products and channels, driving additional daily active users.

In addition, technology and infrastructure form part of the core elements underpinning the content-centric business strategy. The content teams are supported by a technology talent pool, with an offshore development centre in Noida in India with ~250 professionals, and 'Next Generation' platform development team in Austin, Texas.

Recent Acquisitions & Divestments: http://www.aristocrat.com.au/Media/Pages/Latest%20News.aspx?Year=2013
- 21Oct2014: Completed acquisition of North American based gaming manufacturer Video Gaming Technologies, Inc. (for estimated US$1.3b). VGT will be run as a business unit; an interim leadership structure is in place while a global search for a permanent leader is undertaken.
- 30Sep2014: Completed the sale of the Lotteries business (to Playtech Plc for €10.5m).

RESULTS FOR THE 12 MONTHS TO 30 SEPTEMBER 2013				
(A$m)	**To 30Sep13**	**To 30Sep12**	**Change**	**Comments**
Revenue	813.8	843.3	(3.5%)	• Revenue growth predominantly driven by Americas and Online. Offset by lower contributions from Japan, Australia and Asia Pacific. • 5th consecutive reporting period of NPAT growth. • Online revenue increased compared to corresponding period. • Acquired Product Madness in November 2012 to leverage value from fast growing social and mobile channels. • Towards end of reporting period the Group began deployment of content into the social environment through the *Heart of Vegas* Facebook application; despite only recent deployment this application is monetising at US16c ARPDAU compared to overall ARPDAU of US9c. (ARPDAU – Average Revenue Per Daily Active User).
EBIT	145.3	139.7	4.0%	
NPAT	107.2	91.7	16.9%	
EPS	19.4c	16.7c	16.2%	
Operating Cashflow	98.2	165.4	(40.6%)	
Gearing	1.2X	1.2X		
Total Dividend	14.5cps	6.0cps	141.7%	

Source: http://www.aristocrat.com.au/company/Pages/Overview.aspx
http://www.aristocrat.com.au/Investors/Documents/ALL%20G2E%20300914.pdf
http://www.aristocrat.com.au/Investors/Documents/Aristocrat%202013%20Business%20Review.pdf

EXECUTIVE LEADERSHIP					
Name	**Title**	**Background**	**Location**	**Comments**	
Jamie Odell	Chief Executive Officer & Managing Director (Feb2009-Present)	Jamie was appointed CEO & MD effective 1 February 2009 and his appointment received regulatory approval on 13 May 2009. Prior to his appointment, he was MD of Foster's in the Australian and Asia Pacific region with responsibility for the sales and marketing of Foster's extensive portfolio of beer, wine, spirits and other alcoholic and non-alcoholic beverages. Before joining Foster's, he was Regional VP (Asia Pacific) Allied Domecq Duty Free, responsible for sales through travel-related channels in Asia and Australasia. In October 2012, Jamie was appointed to the Board for the American Gaming Association (AGA). **Education** – MBA	Sydney		

Antonia (Toni) Korsanos	Chief Financial Officer & Company Secretary (Jul2009-Present)	Toni was appointed CFO in July 2009, after joining Aristocrat in 2007 as GM Group Finance. Toni has almost 20 years' experience in financial and general management at leading companies including Kellogg's and Goodman Fielder Ltd. Immediately prior to joining Aristocrat, Toni was Senior Commercial Finance Manager, Business Support at Kellogg's Australia/New Zealand. Toni also spent seven years with Coopers & Lybrand, Sydney in senior audit roles. **Education** – BEc (Acc&Fin), Macquarie University; CA	Sydney	
Trevor Croker	Managing Director, Australia & New Zealand and Asia Pacific (Oct2009-Present)	Trevor joined Aristocrat in October 2009. Trevor has significant experience building high performance sales organisations, most recently as Sales Director of Carlton & United Breweries. Trevor has also held sales transformation and leadership roles within Foster's Australia and Beringer Blass Wine Estates, in addition to a number of national and regional sales management positions. **Education** – GradDip (Mgmt), UNSW; AssocDip (Sports Admin), Griffith University	Sydney	
Rich Schneider	Chief Product Officer (Jul2011-Present) Interim President, Americas (Mar2014-Present)	Rich joined Aristocrat as Chief Product Officer on 28 July 2011. He was appointed Interim President Americas in March 2014. Rich possesses more than twenty years of experience creating and delivering system and game products to the casino industry in the US, serving most recently as the CEO of Walker Digital Table Systems. Rich has also served as COO of Acres Gaming, VP of Game Engineering at Casino Data Systems and in a number of lead role positions in IGT's system and game development/product management organisations. Rich was also a founding member of the Gaming Standards Association and was Chairman for 3 years.	Sydney	

		Education – BS (Eng), University of Nevada Las Vegas		
Jason Walbridge	Chief Supply Officer (Jul2011-Present) & Managing Director, EMEA (Jul2013-Oct2014)	Jason was appointed Chief Supply Officer effective July 2011 and he took over responsibility for the EMEA business in July 2013. He is responsible for the strategic leadership of Aristocrat's Off-shore Development Center, Global Supply Chain, Information Technology, Engineering, Quality Assurance, Product Compliance, and global game delivery. Having joined the company in 1997, Jason was previously Senior VP Design & Development, Integration and Services in the Aristocrat Americas business and has held a number of other roles within Aristocrat in the Americas and New Zealand. Prior to joining the business, Jason was a management consultant for Ernst & Young New Zealand and Impac Australia after serving as a commissioned officer in the New Zealand Army in a variety of operational leadership roles around the world. **Education** – MBA (International Management), Auckland Institute of Studies	USA	9Oct2014: James Boje to replace Jason Walbridge as MD EMEA, subject to regulatory approvals.
Craig Billings	Chief Digital Officer (Aug2014-Present)	Craig was appointed to the role of Chief Digital Officer in August 2014 and is responsible for global social and mobile gaming efforts. He joined Aristocrat in July 2012 and formerly held the role of MD Strategy & Business Development. Craig has a long history within the gaming industry, having held senior roles at IGT, including Chief-of-Staff to the CEO and Head of Corporate Development, and within the Investment Banking Division of Goldman Sachs where he served clients in the gaming industry, initially from New York and then from London. **Education** – MBA, Columbia Business School; BS (Business Admin/Acc), University of Nevada Las Vegas	Sydney	

Mark Dunn	Executive Vice President & General Counsel (Dec2011-Present)	Mark was appointed EVP & General Counsel in December 2011. Previously, Mark held roles with Caesars Entertainment Corporation and its predecessor Harrah's Entertainment Inc. for more than nine years, where his responsibilities included managing the legal affairs of the company's Western Division, including casinos in Las Vegas and international locations such as the UK, South Africa, Egypt and Canada. Mark has also held roles in the private practice of law for 13 years. **Education** – undergraduate & law degrees, University of Missouri	USA	
Gayle Philpotts	Global Human Resources Director (Jul2012-Present)	Gayle joined Aristocrat in July 2012 as Global HR Director. Gayle is an experienced HR leader, and moved to Aristocrat from the multinational pharmaceutical company iNova. Previously, she has led HR teams at Wyeth/Pfizer, Sun Rice, George Weston Foods and Westpac among other assignments. **Education** – BA & MBA, University of Wollongong; Doctor of Business Administration, Southern Cross University	Sydney	
Manjit Gombra Singh	Chief Technology Officer (Dec2012-Present)	Manjit was appointed CTO in December 2012, after previously holding the role of Senior VP responsible for research and development of enabling technologies. Manjit has a broad background in technology, having worked at Juniper Networks on virtualisation and management technologies as well as cloud initiatives, leadership roles on Internet and Mobile product lines at IGT, and engineering management roles at Sun Microsystems. Manjit is a published author on cloud computing and mobile gaming technologies. **Education** – MS (CompSci), University of Hyderabad	USA	

Victor Blanco	Senior Vice President, Platform Architecture (Jan2010-Present)	Victor joined Aristocrat as Senior VP of Platform Architecture in January 2010. Victor founded and leads Aristocrat's development center in Austin, Texas with a focus on software innovation and next generation platforms. He was previously Director of Software Architecture at HTC, helping drive HTC's transition from a white label smartphone manufacturer to an established international brand. Victor also spent eight years with Microsoft as a Software Architect contributing to the launch of the Xbox video game console, the Xbox Live service, and Ultra-Mobile PC platforms. **Education** – BS (CompSci), Texas A&M University	USA	
Maureen Sweeny	Chief Commercial Officer (Sep2014-Present)	Maureen joined Aristocrat as the Chief Commercial Officer in September 2014. As CCO, Maureen is accountable for Aristocrat's Class III sales and marketing footprint globally, including across the Americas, Australia & New Zealand, Asia Pacific and EMEA. Her focus is on delivering better consistency and focusing on the company's frontend capabilities and improved service across the company's global Class III businesses. Maureen has had a thirty-year career with the IBM Corporation spanning a range of global and regional leadership roles in sales and marketing, strategic client management and business transformation.	USA	
OTHER KEY PERSONNEL				
Name	**Title**	**Background**	**Location**	**Comments**
David Fryda	Chief Information Officer	David is currently CIO of Aristocrat. He was formerly CIO at Serco, where he was responsible for Asia Pacific as well as the Middle East and India, and was part of the firm's global information services leadership group. Previous roles have included Interim CIO at Macquarie University, and time with Tyco Fire & Security, ADT Security and Mars. **Education** – CompSci, Monash University	Sydney	

James Boje	Managing Director, EMEA (Oct2014-Present)	James was appointed to the post of MD for Aristocrat's Europe, Middle East and Africa region, subject to receipt of the necessary regulatory approvals, on 9 October 2014. In a gaming career spanning almost 30 years, he has held senior executive positions across the industry, encompassing slot operations, manufacturing, machine distribution, live gaming, lotteries and money handling solutions across European and African territories. James began his career as a slot technician at Sun International's Sun City Resort, before moving into general management for Score-a-lot (scratch cards and VLT solutions) and Sybertronix Gaming (distribution). In 1999, he joined IGT Africa as Sales & Marketing Manager, before being promoted to MD Africa in 2001 and later MD Europe. Since 2011, James has worked in senior roles for MEI, Zitro and Crane Payment Innovations.	UK	9Oct2014: Replacing Jason Walbridge who held the role concurrently with Chief Supply Officer role since July 2013, subject to regulatory approvals.
Reuben Rattos	Group Treasurer & Investor Relations Manager (Feb2013-Present)	Reuben commenced his current role in February 2013, having previously been Group Treasurer since joining Aristocrat in 2004. Prior, he was Treasurer with Capital Finance Australia Pty Ltd, where he spent time within Asset & Liability Management, and Structured Finance. **Education** – GradDipAppFinInv, Finsia; BEc, Macquarie University	Sydney	
Tracey Elkerton	Global Compliance Manager (Jun1998-Present)	Tracey joined Aristocrat as Global Head of Compliance in 1998. She possesses experience in compliance and risk frameworks with a particular emphasis on the structural and operational elements of programs including the design of compliance and risk systems, education and training programs, monitoring and audit programs and disciplinary processes. Prior, she was Compliance Manager at St George Bank Treasury, and before that was Treasury Support Supervisor at Standard Chartered Bank. **Education** – MA (Compliance), GradDip (Compliance) & GradDip (Fraud Investigation), Charles Sturt University	Sydney	

| Anthony Oh | Vice President, Strategy & Business Development (Oct2012-Present) | Anthony leads the Strategy & Business Development team responsible for undertaking the global strategic planning process across all regions (EMEA, Asia-Pac, ANZ, Americas) and product groups (class III, VLTs, AWPs, online gaming, social gaming).

Previously, he was Senior VP for NewShore Partners, an independent investment bank and principal investment firm based in London, where he led the Gaming team. Earlier roles have included VP Investment Banking at Jefferies International, and Director Investment Banking at CIBC World Markets, both in London. Before, he was back in Australia, most recently as Associate Director/Group Treasury Manager at Corpac Partners/The Griffing Group, and from 2002 to 2004 he was Group Treasurer/Senior Corporate Finance Analyst, again at Aristocrat. He also spent time at Royal Bank of Canada and Arthur Andersen, both in Australia.

Education – MAppFin, Macquarie University Applied Finance Centre; GradDipAppFin, Finsia; CA; BBus, UTS | Sydney | |
| Ted Hase | Vice President, R&D Global Games (Apr2009-Present) | Ted commenced his current role in April 2009. He has been responsible for the development of a number of award winning games, including the 2014 released The Walking Dead product which was named the most anticipated game of the year in Goldman Sachs' 2014 Slot Manager Survey, and won the 2014 Casino Product of the Year award at the 2014 Global Gaming Expo. He joined Aristocrat as Assistant VP Global R&D Games & Platforms in September 2007.

He was previously at Microsoft where he was most recently Director of Strategic Product Placement, and before that was Director of XEN (Xbox Entertainment Network) Programming. Earlier roles with Microsoft included Director of Windows Gaming & Entertainment Evangelism, Director COM Evangelism, Group Program Manager OLC/COM Evangelism, WOSA Product Manager, Senior Systems Engineer, and upon joining in 1991 he was Microsoft Consulting Services Consultant.

Education – University of Maryland College Park | USA | |

Keith Wood	Vice President, D&D Systems (Aug2009-Present)	Keith commenced his current role in August 2009. He was previously Director of Network Gaming, having initially joined Aristocrat in 2001 as Director of OASIS Engineering, followed by just over a year as a Consultant. Prior to Aristocrat, he was Database Manager at Preference Technologies. **Education** – Degree's in MIS & Health/Health Care Admin/Mgmt, Ohio University	USA	
Doug Fallon	Vice President, Global Products, Core Slot Games (Oct2013-Present)	Doug was appointed to his current role in October 2013, having joined Aristocrat in 2004 as Regional Marketing Manager for North America. Other roles have included Senior Games Product Manager, Director of Marketing, VP Global Games Marketing, and immediately prior to his current role, VP Creative Direction & Game Design. Previously he was with Harrah's Entertainment Inc, most recently as National Casino Marketing Manager. **Education** – MBA, Loyola Marymount University; BA, Pepperdine University	USA	
Drazen Lenger	Global Director, Platforms (Aug2008-Present)	Drazen was appointed to his current role in August 2008. He possesses over 18 years' experience in strategic leadership and technical roles within the high tech industrial sector. He joined Aristocrat in 1994 as a Senior Software Engineer. In 1998, he was promoted to Software Team Leader, followed by Chief Software Architect in 2000. He was appointed Software Development Manager/Architect, Platforms in early 2008. He commenced his career as a Graduate Engineer with the Institute for Automatics and Computer Sciences in Sarajevo, Bosnia and Herzegovina in 1984, where he worked until 1991, with his final role being Senior Technical Advisor. His first role upon moving to Australia in 1991 was Technical Director at Blue Shadow Company. **Education** – CPEng, MIEAust; National Professional Engineers Register; BE(Hons) (Auto&Electronics), University of Sarajevo, Bosnia & Herzegovina	Sydney	

Michael Eakin	Global Director, IT & Major Projects (Sep2012-Present)	Michael commenced his current role in September 2012. He has previously been Global Service Delivery Manager, and before was D&D Operations Manager.	Sydney	
Meg Ingels	Global Product Delivery Manager (Nov2013-Present)	Meg was appointed to her current role in November 2013, and is responsible for the delivery of the global product portfolio, and acts as the interface between the regional leadership teams, D&D product development and supply teams. She is accountable for ensuring the global product delivery plans are delivered and regional product priorities are proactively managed across the end-to-end product, test and compliance processes of the D&D and supply organisations. Prior roles since joining Aristocrat in 2012 are Regional Product Delivery Manager and Program Manager. Previously she was with Optus, most recently as Customer Experience & Transformation Manager (Technology & Products and Networks), and before was Customer Experience & Transformation Manager (IT), and initially Business Manager. Earlier roles have included Product Development & Program Manager SIMplus, National Manager Contact Centre Technology, and Customer Care Program Manager. **Education** – CertMgmt, TAFE; DipTeach, UNSW	Sydney	
Alaa Aziz	Global Game Technology Manager (2014-Present)	Alaa was appointed to his current role in 2014. Previous roles with Aristocrat have included Manager Games Technology and Software Team Lead. **Education** – MBA, MGSM; Software Engineering, University of Sydney	Sydney	

Paul Simon Martin	Director, Game Technology Group (Jul2013-Present)	Paul commenced his current role in July 2013, where he leads the global core technologies group. He is responsible for leading and directing the next generation of game engine code, tools and pipelines, as well as providing strategic direction for the Company's core software technologies. He has been designing, implementing and managing code technologies and people for videogames since 1996. Prior to Aristocrat, he was Director of Technology and owner of Slant Six Games for just over seven years. Before that he was Senior Programmer at Sony Computer Entertainment America, Software Engineer at Electronic Arts (Canada), Programmer at Travellers Tales, and initially Programmer at Sensory Deception. **Education** – BSc(Hons) (CompSci), Manchester University	Sydney	
Ron Dufficy	General Manager, Global Shared Services (Oct2011-Present)	Ron was appointed to his current role in September 2011, having previously been CFO Americas, Director of Finance Americas, and initially Controller Americas. **Education** – MCom & BEc, Macquarie University	Sydney	
Darani Brown	Group Risk & Audit Manager (Sep2012-Present)	Darani commenced her current role on joining Aristocrat in September 2012. She possesses experience in internal audit, internal controls, business processes, risk and corporate governance. She was previously a Director with PricewaterhouseCoopers for 15 years, Manager Technical Services at State Street Bank for two years, and Audit Manager with KPMG for five years. Earlier, she was an undergraduate with Touche Ross. **Education** – BEc (Acctg & Fin), Macquarie University	Sydney	

BOARD MEMBERS				
Name	**Title**	**Background**	**Location**	**Comments**
Dr Ian Blackburne	Chairman (Sep2010-Present)	Ian was nominated in December 2009, and appointed in September 2010. He is the Chairman of Recall Holdings Ltd and a director of Teekay Corporation (listed on the NYSE). A former research scientist, he spent 25 years in the petroleum industry in technical, manufacturing, marketing and strategic planning roles, as well as serving as MD of Caltex Australia Ltd. Ian has been a director of various public companies for more than 15 years including formerly, CSR Ltd, Suncorp-Metway Ltd and Symbion Health Ltd. He has also been Chairman of CSR Ltd, the Australian Nuclear Science and Technology Organisation, and the Royal Botanic Gardens. **Education** – BSc(Hons); MBA; PhD	Sydney	
David Banks	Non-Executive Director (Jul2011-Present)	David was nominated to the Board in October 2010 and appointed in July 2011. He has more than 25 years' experience in the industrial, entertainment and gaming industries in financial, operating and strategic planning roles. Previously, David was Chief Executive (Casinos Division) of Tabcorp Holdings Ltd and CEO of Star City Holdings Ltd, and most recently the Group COO of Galaxy Entertainment Group based in Macau. He is a former President of the Australasian Casinos Association and a former Director of the Australian Gaming Council. **Education** – BBus (Mgmt)	Sydney	
Roger Davis	Non-Executive Director (Jun2005-Present)	Roger was nominated as a Non-Executive Director in November 2004 and was appointed Non-Executive Director in June 2005. He is currently the Chairman of the Bank of Queensland and Consulting Director Investment Banking for Rothschild Australia Ltd. He is also a Director for Trust Company Ltd, Argo Investments Ltd and Ardent Leisure Ltd.	Sydney	

		He is a former Chairman for Centric Wealth Advisors Ltd and Charter Hall Office REIT; former Director, Territory Insurance Office; former Senior Executive for Citicorp and Citigroup Inc. in the US and Japan; as well as a former Group MD for the ANZ Banking Group Ltd. **Education** – BEc(Hons); MPhil		
Dr Rosalind Dubs	Non-Executive Director (Jun2009-Present)	Rosalind was nominated as a Non-Executive Director in December 2008 and appointed Non-Executive Director effective June 2009. She is a Director of ASC Pty Ltd and ANU Enterprise Pty Ltd. Rosalind is the former Chair of the Space Industry Innovation Council. She was also formerly the Deputy Vice-Chancellor (External Relations) at the University of Technology in Sydney; the VP Operations Thales ATM SA (France); held senior executive positions in Airservices Australia, the Australian National University and CSIRO; former Director, Structural Monitoring Systems Plc, Thales ATM Pty Ltd, Thales ATM Inc (USA) and Thales ATM Navigation GmbH (Germany). She was also formerly the Chair of Thales ATM spA (Italy). **Education** – BSc(Hon), ANU; Dr es Sc, Universite de Lausanne; FAICD	Sydney	
Stephen Morro	Non-Executive Director (Dec2010-Present)	Stephen was nominated in December 2009, and joined the Board in December 2010. He has over 25 years' experience in the gaming industry, including 20 years in various roles at IGT. As IGT's former COO & President of the Gaming Division, Stephen was responsible for its global operations, which involved the development and execution of strategic plans for product, technology, marketing, manufacturing and distribution. Stephen has an extensive background in regulatory, legislative, M&A and legal strategies and is one of a small group in the gaming industry with experience as a supplier, operator and regulator. **Education** – BA (BusAdmin)	USA	

| Kathleen Conlon | Non-Executive Director (Feb2014-Present) | Kathleen was nominated as a Non-Executive Director in November 2013 and appointed Non-Executive Director effective February 2014. She is a Director of CSR Ltd, REA Group Ltd and Lynas Corporation Ltd. She is President of the NSW Council and a National Board member of the Australian Institute of Company Directors as well as a member of Chief Executive Women.

Kathleen has over 20 years' experience in professional management consulting. She is a recognised thought leader in the fields of strategy and business improvement and has advised leading companies across a wide range of industries and countries. In her seven years as a partner and Director of the Boston Consulting Group, she led BCG's Asia Pacific Operations Practice and, previously, the Sydney Office.

Education – BA (Ec), Northwestern University; MBA, Northwestern University – Kellogg School of Management; FAICD | Sydney | |

31 OCTOBER 2014
Sydney Morning Herald
Echo ready to take on James Packer's Crown in Brisbane casino battle

Echo Entertainment Group chairman John O'Neill says the company has built a formidable joint venture team to take on James Packer's Crown Resorts in the bid to develop a $1 billion-plus casino and entertainment complex in Brisbane.

Echo along with its Chinese partners, conglomerate Chow Tai Fook and developer Far East Consortium, submitted its bid to redevelop the Queens Wharf precinct on Tuesday. Crown and its joint venture partner Chinese developer Greenland Holdings also lodged its proposal.

Chief executive Matt Bekier told the company's annual general meeting on the Gold Coast on Thursday that one of the company's three priorities for the next year was to "put our best foot forward" in Brisbane. Echo is fighting to retain monopoly control of the city's casino market, where it already runs the Treasury Casino.

Source: http://www.smh.com.au/business/echo-ready-to-take-on-james-packers-crown-in-brisbane-casino-battle-20141031-11ezna.html#ixzz3IG0Z95Ht

28 OCTOBER 2014
Australian Financial Review
Crown, Echo say their Brisbane plans are set

Crown Resorts and Echo Entertainment Group formalised round two of their bitter rivalry on Tuesday, with both companies saying they had met the deadline for bids to build a new casino and entertainment complex in Brisbane.

The casino operators made separate statements to the Australian Securities Exchange confirming they had lodged their applications. Neither company would discuss their plans, citing orders from the state government preventing them from doing so.

Source: http://www.afr.com/p/business/companies/crown_echo_say_their_brisbane_plans_x8i17kT7nqVHoNi94rCJAN

27 OCTOBER 2014
The Motley Fool
Aristocrat Leisure Limited, Crown Resorts Ltd, Jumbo Interactive Ltd: Which gambling stock should you buy?

Poker machine maker Aristocrat Leisure Limited's (ASX: ALL) share price is at a multi-year high with the stock gaining 34% in the past year. The share price gains have no doubt been helped along by the recent US-based acquisition of VGT, a company that will triple the size of its US business.

While the growth profile for the group continues to impress, some investors may be put off by the relatively high multiple the stock trades on. This multiple could arguably be justified however, given growth expectations.

In contrast to Aristocrat's rallying share price, casino owner and operator Crown Resorts Ltd (ASX: CWN) share price is currently crawling along at a 52-week low.

For value investors the fall in share price may have created an appealing entry point into a company which remains the leading casino group in Australia while also offering exposure to overseas casino operations as well.

Like Crown, shareholders in online lotteries software provider Jumbo Interactive Ltd (ASX: JIN) are experiencing the pain of a stock which is trading near its 52-week low. While the market obviously appears to have concerns over the near term outlook for Jumbo, the long-term tailwind of higher online sales of lottery tickets – currently just 1% of the $250 billion in global lottery sales are conducted online – appears sound.

Unlike its gambling sector peers Aristocrat and Crown which have market capitalisations of $4.2 billion and $10.3 billion respectively, Jumbo is a small, under-the-radar stock with a market capitalisation of just $49.6 million. In FY 2014, Jumbo achieved a net profit after tax of $2.8 million on revenues of $24.1 million. With the group's operations going live in Germany recently, Jumbo now has exposure to a significantly larger potential customer base.

Source: http://www.fool.com.au/2014/10/27/aristocrat-leisure-limited-crown-resorts-ltd-jumbo-interactive-ltd-which-gambling-stock-should-you-buy/

16 OCTOBER 2014
The Australian
James Packer hits out at Crown's gambling critics, governments

JAMES Packer has taken a swipe at critics of gambling who are "blinded by their prejudices" and suggested that Australian governments are damaging his Crown Resorts business by failing to honour agreements with the company.

The Crown chairman also highlighted the high levels of tax being paid by the group in Australia, comparing this to the "lack of taxes" contributed by offshore companies including Google and Apple.

In a strongly-worded address to shareholders at Crown's annual meeting in Perth today, Mr Packer said Crown was "not a tobacco company" and should be treated better by Australian governments. He said Crown (CWN) was one of the largest taxpayers in the country, contributing around two-thirds of its pre-tax profits, or about $590 million, to state, federal and local governments.

Source: http://www.theaustralian.com.au/business/companies/james-packer-hits-out-at-crowns-gambling-critics-governments/story-fn91v9q3-1227092674160

Australian Financial Review
'The Walking Dead' pulls in punters for Aristocrat Leisure

Aristocrat Leisure chief executive Jamie Odell says the pokie manufacturer's rising reputation for popular titles based on television shows like The Walking Dead and Game of Thrones means the Aussie upstart can gain share despite a broader decline in the United States.

Mr Odell recently returned from G2E, the casino industry's biggest trade show in Las Vegas, with a casino product of the year gong for Aristocrat's The Walking Dead poker machine. About 250 units of the machine, based on the drama series that introduces viewers to a world of flesh-eating zombies, have been installed in US casinos in the first six months after release.

Mr Odell said the success of The Walking Dead comes as a result of Aristocrat's focus on the segment of sales called participation or gaming operations.

The practice is prohibited in Australia, but in the United States casinos and poker machine makers can enter into revenue sharing agreements. The deals are reserved for a casino's most profitable machines.

From having no business in this segment four years ago, Aristocrat now has about 10 per cent of the US participation market.

Source: http://www.afr.com/p/business/companies/the_walking_dead_pulls_in_punters_NIztn7WNX9FzpuCli1eB9M

Reuters
Sydney harbour turns battleground for casino war

Sydney's picturesque harbourside is shaping as a battleground between junior betting house Echo Entertainment and gaming giant Crown Resorts as their fortunes increasingly converge on Australia's most populous city.

Echo has been raking in money since launching a successful loyalty programme last year to keep customers at its Sydney gaming house The Star. Crown, five times bigger than Echo by market cap, is looking to lure some of its rival's patrons as its casinos in Melbourne and Perth post tepid revenue growth.

Crown, the world's No.6 gaming company by market value, on Thursday reported a 35 per cent jump in annual net profit, beating analyst forecasts. But that was mostly because of a near doubling in its share of earnings from its Macau joint venture Melco Crown Entertainment (MCE).

The company half-owned by James Packer, the country's third-richest person, recorded near flat earnings at its core betting houses in Western Australia and Victoria states. Local economies have been hit by factory closures and a mining slowdown, resulting in earnings growth of just 2.8 per cent in Melbourne and 0.3 per cent in Perth in the year to June 30.

Even as Crown builds and rebuilds properties from Macau to Las Vegas, Australian casinos are still the company's biggest revenue contributor. They accounted for 68 per cent of its pre-tax profit in the last financial year.

Crown is staking its future domestic growth to a A$1.5 billion luxury casino on Sydney Harbour, set to open in late 2019, with the aim of attracting a widely expected influx of wealthy Chinese gamblers.

It will compete with Echo's existing waterfront casino just a mile away, The Star, which is already taking steps to stop gamblers taking business elsewhere with a loyalty program offering free restaurant meals and hotel upgrades.

The loyalty scheme, based on airline loyalty schemes, has 250,000 members and is signing up 6,000 members per month across all Echo properties, a company spokesman said.

On Wednesday, Echo, worth A$2.7 billion, said a 26 per cent jump in pre-tax earnings at The Star was the main reason group net profit rose 24.6 per cent.

Source: http://www.reuters.com/article/2014/08/14/crown-resorts-results-idUSL4N0QK00X20140814?type=companyNews

MOVEMENTS

There have been a number of movements in the gaming and entertainment sector this year, some include:

- Rich Schneider – Appointed Interim President, Americas of Aristocrat Leisure Ltd, March 2014 (replaced Atul Bali, resigned)
- Craig Billings – Appointed Chief Digital Officer of Aristocrat Leisure Ltd, August 2014
- Maureen Sweeney – Appointed Chief Commercial Officer of Aristocrat Leisure Ltd, September 2014
- James Boje – Appointed Managing Director, EMEA of Aristocrat Leisure Ltd, October 2014 (replaced Jason Walbridge who held the role concurrently with Chief Supply Officer role)
- Alaa Aziz – Appointed Global Game Technology Manager of Aristocrat Leisure Ltd, 2014
- Kathleen Conlon – Appointed Non-Executive Director of Aristocrat Leisure Ltd, February 2014 (replaced Lewis Flock, retired)
- Andre Ong – Appointed Group Chief Information Officer of Crown Resorts Ltd, March 2014
- Christopher Coyne – Appointed Chief Marketing Officer of Crown Resorts Ltd, February 2014
- Andrew Demetriou – Announced as an appointee to the Board of Crown Resorts Ltd, August 2014, subject to regulatory approvals.
- Robert Rankin – Announced as an appointee to the Board, and Co-Chairman, of Crown Resorts Ltd, November 2014, subject to regulatory approvals.
- Matt Bekier – Appointed Managing Director & Chief Executive Officer of Echo Entertainment Ltd, April 2014 (replaced John Redmond, retired; was CFO)
- Chad Barton – Appointed Chief Financial Officer of Echo Entertainment Ltd, May 2014 (replaced Matt Bekier, appointed CEO)
- Greg Hawkins – Appointed Managing Director, The Star of Echo Entertainment Ltd, September 2014 (new business structure)
- Geoff Hogg – Appointed Managing Director, Queensland of Echo Entertainment Ltd, May 2014 (new business structure)
- Laurent Fresnel – Appointed Chief Technology Officer of Echo Entertainment Ltd, January 2014
- Josef Seidler – Appointed Group Property Development Director of Echo Entertainment Ltd, July 2014
- James Dymock – Appointed General Manager, Brand & Customer Culture Transformation of Echo Entertainment Ltd, June 2014
- Michael Hodgson – Appointed Group Manager, Partnerships of Echo Entertainment Ltd, 2014
- Megan Whitlocke-Jones – Appointed General Manager, Loyalty of Echo Entertainment Ltd, October 2014
- Dr Sally Pitkin – Announced as an appointee to the Board of Echo Entertainment Ltd, July 2014, (replacing Anne Brennan) subject to regulatory approvals.