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James Coghill: Good morning everyone and thanks very much for making time to join us here this morning. I'm James Coghill, I manage investor relations for Aristocrat. Before I start, I'd just like to acknowledge the Wattamattagal clan of the Eora people, the traditional owners of the land on which we meet today, and I'd like to pay my respects to Elders, past, present and emerging.

So, with us here today we have Trevor Croker, our CEO and Managing Director, who's joining us from London, thanks very much Trevor for making time so late in the evening there. Also, we have Natalie Toohey here in Sydney with me, she's our Chief Corporate Affairs Officer.

So, the objective of today is to provide an opportunity for you to hear from us, for you to ask some questions ahead of us going into our close at the end of the week. I'll shortly hand over to Trevor and he'll just say a few words, we'll then come back to do some Q&A. I'd like to ask everyone just to limit yourself to a single question and then join the back of the queue, if you don't mind doing that.

Right, and with no further ado, Trevor, I'll hand over to you.

Trevor Croker: Great, thanks James, and thanks to everybody for joining us and appreciate your ongoing interest in Aristocrat at this time. I just wanted to provide an update or some comments on the half and put some of that in perspective for you today before going to Q&A.

We continue to operate in a volatile economic environment, as you well and truly know. We continue to focus on what's important, and the second half has had its own unique challenges, however our business continues to benefit from the operational diversity of Aristocrat, and also a strong and competitive product portfolio.

We're very pleased with the performance and our leading positions in the segments in which we're key leaders, and I'll talk to those separately as we walk through these, across not just our gaming and digital businesses but also across geographical markets as well.

Just in relation to the full year guidance, we'll refer you back to the first half outlook statement, and we expect to be broadly in line with those statements from the half that we mentioned in May earlier this year.

Before I roll into the gaming business, I'd just like to give you an update on where we are with the Ukraine scenario, as you know we've been updating you on a regular basis as that situation continues to evolve, where we continue to protect our people and we've moved more of our people now into safer locations, either within Ukraine or outside of Ukraine.

We've also established another new office in Poland, which we opened last week and that will be our third office on top of offices in Barcelona and Montreal as well. We continue to stay focused on looking after our people and the safety and security of our people, and pleasingly we've seen an uptick in productivity over the last six months as our teams remain focused on what's important to them, but also helping us with the delivery of key game releases and game features.

So, we're very proud of the ongoing resilience of our team in the Ukraine and the efforts to make sure they remain safe and well during these tough times.

If I then just move to where we are from the Gaming business perspective, the Gaming business, particularly in North America, continues to move along strongly and continues to go from strength to strength. We're seeing an environment where there is talk of consumer sentiment softening as such, we haven't seen any material impact of that in our business at this point in time, although we are seeing the headwinds that are coming through from that perspective as well.

Our game performance continues to be extremely strong at 2.6 times on the premium lease games and 1.4 times across the whole portfolio. We still have 20 of 25 top premium lease games available in the gaming market in North America. The core business as far as for sale goes, continues to be strong, with new adjacencies increasing as well, and I'll talk to those later on.

The ANZ business has had a bit of a tougher time a little bit around supply chain constraints and also some of the weather conditions from the July period particularly. However, we still remain very comfortable with our competitors in the Australian marketplace.

I'm sure some of you recall some of the games that we released at AGE with Cash Express Luxury Line, and the good momentum that came out of AGE with that great product portfolio on show.

With G2E only a couple of weeks away and we're very excited about what we'll have to show there with new games and cabinets that are part of the pipeline. This year we'll have

100% of our outright sales games and 70% of our recurring revenue in Class II and Class III games will be new at G2E. So it just goes to show the continued investment in game design and game development with cabinets and new games, and we'll be showing a portfolio of new games and we're very excited about that for G2E as well.

We're also often asked about the economic scenarios and just what we're seeing as far as economic slowdown goes. We're obviously watching this closely, as you would expect, and we're not seeing any material consumer weakness to date, as I said earlier, but we're also continuing to monitor this on a regular basis.

From a capital cycle point of view, again we're seeing strong momentum from key customers, and you would have seen that in some of the Eilers surveys around market size and opportunity. We still consider capital opportunity there and obviously a strong portfolio to compete for that capital going forward as well.

As far as what we're seeing in the markets, destination markets like Las Vegas continue to benefit from conferences post-COVID, seeing good numbers and you would have seen recent reports about the air visitation to Vegas being at record highs and continues to be there.

We're also mindful that financial year '23 is coming up, there's a lot of headwinds going on out there at the moment, but when you look at the historical impact on gaming of the last downturn in 2008/2009, basically commercial gaming was down about 3% in 2009, down about 1% in 2008 and tribal gaming was not down as much which gives us another diversified and strong position from what we consider an issue that could come through with consumer demand, but we're not seeing anything at this point in time.

So, let's talk a little bit about Pixel before we move into some questions towards the end of this session. Again, the industry has seen a pretty sustained slowdown through this period of time, we've spoken to you a number of times about that. Not just from COVID but also from the Ukraine and Russia scenario where we've selectively shut down our business in Russia as a consequence. It wasn't material to our business, but it was a revenue hit that we've taken as a business from that perspective.

But at the same time we can point to share gains and continuing to take share in Social Casino, RAID continuing to have a strong position in RPG and strategy and with a major release earlier this month, we expect to see that momentum starting to flow through. As we mentioned in May that we were planning to put Mech Arena into Plarium Play, that's now been completed, and Mech Arena is now available on Plarium Play.

But we've also had to navigate some complex situations as I said, we had to shut down our Russian business and that was a choice that we made as a company. We've also had the disruption of the Ukraine scenario as well, but with all that going on, we are planning to launch Merge Gardens, which was an acquisition we made around this time last year. We expect to see that coming out any day now and that will be a new release.

We continue to be on track for Magic Wars in financial year '23 and a new slot game in financial year '23 which we'll take you through more detail of our pipeline when we talk to our full year results in November.

So, just finally before we go to questions, a little bit of an update on RMG. You no doubt would have seen that we have announced that we have made a purchase to accelerate our entry into the RMG segment. We continue to focus on both our 'build and buy' scenario as we've talked to you about previously.

From this perspective, we made a purchase of Roxor Gaming, a UK-based gaming company that has around 100 odd employees, a strong talent team and also good technology. That technology's available in both the North American and European markets, and they've been making games for a number of years in the RMG segment. So, we're very pleased to have been able to announce that acquisition and it's another step towards our journey of our RMG build and buy strategy.

We continue to progress on our build strategy as we've committed to customers and two jurisdictions this calendar year. We have already had our first game approved, so we are one game in as far as approvals go, and we continue to be building on that portfolio for supporting the build side of the RMG entry from that perspective.

Quickly on where we sit from balance sheet point of view. Our share buyback continues, we've repurchased about $280 million worth of shares over the last period of time and will continue to execute on our share buyback. The balance sheet remains conservative but we're preserving our optionality and see that the strong position we had coming out of COVID remains there with a strong product portfolio and a strong financial position. We continue to manage that dynamically, including intending to pay down some debt at some stage in the future.

So, really to wrap up before I go to your questions, innovation continues to drive Aristocrat, innovation in new games, innovation in new execution and new segments, we'll talk no doubt about adjacencies at some point during this call. Also, continue to focus on working with our customers.

As I said, we're seeing different tension points across the globe and we continue to stay focused on working with our customers and on supporting them as they manage through this volatility, but continuing to make great cabinets and games for releases.

The D&D investment, as we've mentioned, is going to be towards the top end of that 11% to 12%, maybe slightly over off the back of investment in RMG this year, but that continues to differentiate our commitment where we are prepared to continue to invest significant money to drive new games, new innovation and continue to bring excitement to our players in the digital business and to our customers in the gaming business.

So, really we see ourselves well positioned in the whole context of what is going on in the environments around us at this point in time. Regardless of those economic conditions, we do believe our diversified portfolio is a strength to Aristocrat, and we continue to invest behind that, both between our talent, our technology, our games and our cabinets.

So, with that, I'd like to hand it back to the moderator to open it up for questions and I appreciate your time to join us today on this call, thank you. Back to you, Ashley.

Operator: Thank you, if you wish to ask a question, please press star one on your telephone and wait for your name to be announced. We ask today that you please limit yourself to one question per person, after which you may re-join the queue. Your first question today comes from Matt Ryan with Barrenjoey, please go ahead.

Matt Ryan: (Barrenjoey, Analyst) Thank you, just had a question on Pixel United, just hoping if you could summarise what you see in the player trends at the moment. Obviously you've experienced a pretty big uplift over the COVID restriction period, and some of that's winding back now.

So, just curious on whether you're seeing anything structural in the way that people are playing, and if you could just give some comments about those new releases that are coming through over the next little while, and just your confidence level of whether they'll be successful or not. Thank you.

Trevor Croker: Thanks Matt, you've got a lot of questions into one, so I'm going to try and answer all those. If I don't get to them, I'm sure someone will prod me to come back to them. I think if we talk about trends; we saw circa 20%, 21% compounding growth through COVID in digital, which was a general feeling across all digital consumption, and we saw that move through.

That started to moderate early in the calendar year this year and started to soften off again. We still believe that the digital business has strong growth in it. I think prior to COVID we were quoting 12% to 14% CAGR for the five years out from 2019, that's moderating back to mid-single digits these days in our opinion over a five-year period.

I think what you saw is a pull forward, a lot of people moving into digital, some of those people have left post lockdown opportunities, other aspects, and have exited the segment. When you talk to core player cohorts, and as you know we look at cohorts on a regular basis, both from the day we start recruiting right the way through, but core player cohorts continue to remain solid in the games.

We're seeing good retention and good play from those players that have been in and loyal to the games for some period of time. So, I would say to you the bubble has come through, it has come back a little bit but if you look at it from where we were in '19, it's still a bigger market than we anticipated it to be at this point in time. It's just structurally coming back a little bit.

We still believe in it longer term as a segment to be in and to grow, hence our continued investment not just in new games but live ops to support games, and that's been a big part of what's driven the performance of the portfolio this year is a very strong live ops portfolio.

Then when we talk to, I think the last part of your question, Matt, was what's the pipeline looking like? I mentioned the release in RAID in the last couple of weeks, obviously with Mech Arena on Plarium Play now is another opportunity and then some significant marketing coming through for that towards the back end of this calendar year.

Merge Gardens, which was the acquisition, we're anticipating that any day now will be released, so that has been continued to be worked through. Then we have Magic Wars in '23 and we have a Social Casino product which we've talked to you about as well coming through in '23.

As you know, with these games, it's one thing to have a portfolio and the other thing is how they go through soft launch and whether they make it to worldwide launch. But we continue to build out the portfolio as a whole, and that's where Mike and the team at Pixel are focused, is continuing to build out that portfolio.

Operator: Thank you, I'll now hand the conference back over to Mr Coghill.

James Coghill: Thank you, we've got a couple of questions that are coming through here. The first one relates to Roxor, could you please explain how the acquisition originated and in which US States it's licenced to operate in?

Trevor Croker: Thanks, James. Well as you know we've been talking to you about entering RMG for a number of years now and we've had an approach on what was important for us, and through those years we've looked at a number of different targets and a number of different opportunities.

Roxor was a target that we saw from both a talent and a technology perspective, they've had games in the market now for a number of years, they are a native RMG business with some very good talent, based in the UK. But also they have technology available in Europe and in North America. They are licensed in New Jersey and they're going through other state approvals at the moment.

So, what we saw there was a talented group of people who have been building game technology and an RGS to support the real money gaming market. They have their games in the market, they've got two studios of their own and that strong technology, and we saw that as being another way for Aristocrat to complement our content, our technology and our build/buy strategy to enter the RMG market in North America as a priority. We see Roxor being the first step towards continuing to do that.

Notwithstanding there are other ways and other acquisitions that we can do to continue to accelerate entry into the North American RMG marketplace.

James Coghill: I'll ask another one that's come through on Roxor. Could you please explain what the remote games server delivers to Aristocrat that currently isn't being delivered by your existing technology solution there?

Trevor Croker: Yes, sure. So again back to my earlier point, the Roxor team is a native RMG business, they have been making RMG content, RMG technology for a number of years. The Aristocrat RGS is the one that we have been working towards our release later this year, as we said two markets and two customers by this year and that will be on the Aristocrat RGS.

The Roxor RGS is a more sophisticated version of that, it will allow us to scale and to enter markets, and also to continue to build out our capability as far as porting our games from our land-based business to our RMG business using the technology that we'll acquire through the Roxor acquisition.

James Coghill: Okay thanks, Trevor. Related to that, how should we think about your guidance in RMG around the two key jurisdictions and two key customers that you are targeting later this calendar year?

Trevor Croker: We remain on track for those, if you look at it now there's seven jurisdictions that are now licensed for RMG, we said that we'll be in two by the end of this year, a third one early next year and we are negotiating and we are talking with our customers, it's not just our two customers but we are talking to a number of customers about how and when we enter those jurisdictions.

So, we remain confident on our ability to meet that commitment and be able to deliver that as part of the build aspects to the RMG strategy.

James Coghill: Do you have further acquisitions planned in order to execute Aristocrat's RMG strategy?

Trevor Croker: We have a number of ways to meet the RMG strategy. Roxor was one of those, there are other aspects and there are other M&A that can help us accelerate that. As I said earlier, talent and technology is what's driven the Roxor acquisition, and that will give us access to more states and greater capability of our portfolio into RMG going forward.

So we believe that will get us started and continue to build on our build strategy but we will be able to do more in the future and we continue to preserve that optionality. As I said earlier, we've got a strong balance sheet. We've got a strong willingness to invest to grow and we see RMG as a good, logical place to invest for growth.

James Coghill: Okay, I might pause there. There are a few others that have come through but can we go back to the moderator and just check if there are any other questions queued on the line?

Operator: Thank you. There are no further questions on the line.

James Coghill: Okay, well here's another one, Trevor. You did touch on the adjacencies in your opening words there. Could you please provide an update on gaming adjacencies?

Trevor Croker: Sure, so about 25% of the volumes in half one were through adjacencies. So largely through VLT and Washington CDS Ovation. Since that, in the second half we've entered HHR, which is Historical Horse Racing and also New York Lotteries. So we've entered those two adjacencies.

We still believe that there's still opportunity to continue to expand both in the existing adjacency, being Washington CDS and also VLT's but as we've spoken to you about in the past, they can be quite lumpy. It depends usually on government contracts and tenders but we remain confident we're going to be competitive in those VLT markets.

The other adjacency which is a little bit to what we've just been talking about, James, is around the Roxor acquisition, is continuing to look at adjacencies there. Part of the reason Aristocrat is focused on this is that our customers were seeking an online solution for their players and they've been asking for our content to do that. That's part of why we're driving towards this RMG solution as well. It's much about great content, great distribution but also our customers were seeking our product in those markets as well.

James Coghill: Okay, that's great. Thanks. A couple on supply chain that have come through. Perhaps you can just answer both of these in the same response, Trevor. The first one is, can you explain whether supply chain issues are still constraining your ability to deliver on any orders? Could you also please comment on whether higher inflation, wage inflation, is impacting your cost base and how Aristocrat is managing that?

Trevor Croker: Yes, sure. Thank you. From a supply point of view, we have seen time to supply, from our perspective, taking longer - components coming out of various jurisdictions and markets with shortages et cetera. So we have seen a complexity in the delivery time of componentry but as you know, we took a long position on inventory going into COVID.

We continue to talk to you about the fact that we wanted to hold inventory so as the market came back, we will be able to support the openings and re-building of the industry as a whole.

So we have seen timing and also some component pressures, both from a cost point of view and a timing point of view but we've managed that with our customers and kept them up to date on what those time and implications have been.

To date, I don't believe we've lost any of our momentum nor lost any sales as a consequence of our supply chain and our teams have managed exceptionally well. I can point to a number of new openings where we were one of or if not the only company that was able to deliver their full new opening order on time before the property opened.

So there are headwinds there. There's no two ways about it, whether it's freight costs or component costs. What's it doing to our cost base? Well 60% of our cost base is people so we are seeing more pressure on talent, particularly in technology and we have committed to continue to invest in technology buy building our RMG and continuing to grow our business.

So we are seeing headwinds there but we're focused on making sure the total offer to our team members, whether it's around remuneration, the benefits, the recognition, the engagement, is all part of that. So there are some headwinds there.

We haven't taken price at this point in time. We've preserved that opportunity but we continue to focus on making sure we work with our customers through this period of time and stay focused on managing the business as a whole.

James Coghill: Okay, that's great and another one on gaming, Trevor. Can you provide an update on the US land based partnership model and what incentives you're providing customers to sign up to minimum volumes?

Trevor Croker: I'll make some broad comments because it's not a simple answer, for one. So we continue to sign up long-term partnership deals and we have been doing it now for a number of years. That is being built off the basis of - as we said earlier, coming out of COVID, working with our customers, focusing on what was important to them, what was important to us and then building partnerships with them.

They generally involve some sort of relationship which is driven by what the objectives of the customer is and also what our objectives are as well. As far as what we offer, that is something that's between us and the customer and I won't get into each one of those but it is around a partnership and it's about creating longer term value for both the customer and for ourselves.

We're very comfortable that we've got a pipeline of games and a pipeline of opportunities, longer term deals, larger deals, than we've ever had continuing to flow through the Gaming business right now.

James Coghill: Okay and while we're discussing Gaming, are you seeing any pullback in the elevated level of gaming operation installs in the US market that we saw through COVID and perhaps in that question, if you can also comment on customer's capital intentions? Trevor, thank you.

Trevor Croker: Yes, we're naturally seeing some caution by our customers at this point in time. I think it's fair to say that everybody is feeling a bit cautious at the moment, given the levels of uncertainty.

As I said earlier though, there's no material shift in the consumer confidence as far as what we're seeing though the industry at this point in time. As far as CapEx goes, so if you think the for sale markets and new expansions, we're still seeing a strong pipeline of new expansion businesses, whether it's in Las Vegas or regional properties, still in the pipeline and people continuing to be willing to invest and build new property.

We're still seeing strong market share gains from our perspective in the for sale and the adjacent market opportunities so we are able to create transactions that way and from a CapEx point of view, we haven't seen any material slowdown or change since we spoke to you last. That said, I think there's a lot of volatility in the world at the moment. We feel like we're a diversified business and can manage that but at this point in time, we haven't seen it and our pipeline, honestly, looks pretty good.

I'm pretty happy with where the pipeline sits knowing what we know about the pipe out to the end of the year, also knowing that the supply chain challenges but I feel very confident that our team have done a good job in building a strong pipeline and using the opportunities of the games which we're very excited about showing at G2E in a couple of weeks' time.

James Coghill: Thanks, Trevor. Another one, North America gaming. How are you thinking about the participation install base into next year? Do you think you're getting closer to a point of being capped on market share?

Trevor Croker: I don't think we're at a point of being capped on market share so I don't subscribe to that position. I still believe that there's an opportunity - great games and great cabinets with great performance will always be ready to be placed.

So making sure we remain humble and also working with our customers to do that is an important part of using that. So I don't subscribe to the fact that by any means is the market capped or are we capped.

How are we seeing the market as a whole? The gaming ops market still remains quite strong. As I said earlier, 2.6 times premium lease game performance. Very strong performance. So if you want a game on the floor that's operating and working well and delivering results, it's going to be an Aristocrat game. There'll be others but those games are at the top of the game performance rankings and they'll continue to do that.

So I think there was talk that the percentage of gaming ops was potentially going to come back over time, we haven't seen that yet. I still think that that will occur at some point in the future but it hasn't started to show through and we're still making install base growth so feel confident we can continue to grow install base and hold the superior yield, which we already do when you look at our fee per day across the portfolio.

James Coghill: Related to that, Trevor, can you tell us how the casino floor has changed post-COVID? This person's interested in understanding how participation versus for sale may have changed and also slots versus tables. Perhaps just comment on any other unusual trends that we are seeing as the casinos have started filling again post-COVID?

Trevor Croker: Yes, certainly there's been a re-focus on where operators focus their investments coming out of COVID. You know, whether it's around marketing dollars or floor allocation to gaming versus non-gaming activities et cetera, et cetera.

We've definitely seen an increase in the floorspace allocated to gaming. Not necessarily more machines but the floorspace allocated to gaming and that's come largely at the expense of some of the retail and food and beverage offerings. Also some of the table offerings and some of those floorspace.

So we have seen more floor allocated to machine gaming and as I said earlier, we've seen that percentage of gaming operations now sort of tick up more towards that 15% to 20% of the floor where historically it's been that 12% to 15% of the floor.

We still think that's going to continue, as I said. We haven't seen it coming off yet but historically, you'd expect to go back to the long range trend, potentially. But when you've got compelling product, as I keep saying, it's a simple model the Aristocrat model, is you make great games, you put them on great cabinets and you work with your customers and you've seen that pretty good result so keep focussing on that and the results will be there.

James Coghill: I've got a few more that have come in but I might just check, Ashley, our moderator. Are there any other questions queued on the lines?

Operator: Thank you. Confirming there are no further questions on the line here.

James Coghill: Well let's come back to a question on Australia. You made comments in your opening remarks, Trevor, about softer trading in Australia. Could you please explain what is driving this?

Trevor Croker: Yes, so first of all, I think the first part of that is July or certainly the June, July period through re-openings and then obviously the floods, particularly in New South Wales, had a pretty material impact on society and communities as a whole. So that was a softer period from that perspective.

I would say to you when I looked at the energy and enthusiasm coming out of AGE by our customers and the industry as a whole, that the industry was looking pretty solid coming out of that period of time but it was softer through that period and I would put that down to a couple of things.

First of all, the marketplace being the floods and the natural disasters that were affecting the major Australian markets during that period of time. Then there were some supply chain challenges from our perspective but our game performance continues to be there and our portfolio of games which were released at AGE gives me confidence about the momentum for the back half of this calendar year for the ANZ business as a whole.

James Coghill: Okay, good. We might shift away from Gaming. There are a few questions coming through on Pixel, Trevor. The first one is on Plarium Play. To what extent is the strong growth in Plarium Play bookings offsetting broader digital market weakness? Are you providing any incentives to customers to migrate to this platform?

Trevor Croker: As far as offsetting goes, what we're finding is that players that play on Plarium Play tend to be more loyal and tend to be more of a longer term player. Someone whose been playing in the game for some period of time. We're not necessarily seeing any reason to incentivise. What we offer is a much better play experience so people are being offered the opportunity to play mobile or to play on a PC and they're using the opportunity to play on PC.

We're not adding incremental incentives even though there is a platform advantage, if you know what I mean. That there's not a 30% platform fee but we're not having to offer incremental incentives and in fact, we're finding that people are enjoying the Plarium Play gaming experience.

So it's about the quality of game and then making sure it's true that they can play it on their phone or on the PC and get the same gaming experience, determined by the device, obviously. A computer screen versus a mobile phone as a different playing experience. But we're very happy that that business now is as very stable business and a very high quality business and we see an opportunity to continue to place more games into that platform over time.

James Coghill: There's a question related to that on Pixel. You've been able to take market share in Social Casino despite no significant new launches over the past year and that's provided some offset to digital weakness. Could you please explain how you've been able to achieve that, given the disruptions from Ukraine?

Trevor Croker: Yes, largely that was really driven by live operations. We spoke to shareholders and the market a couple of years ago about the fact that our live ops was not up to standard compared to our competitors and we've spent a lot of time over the last couple of years building that capability.

It was something that Plarium taught us through the acquisition, was that live ops was a big part of how to engage players and also how to offer more ongoing engagement with players.

So we've been working on live operations. That was, in some cases set in Ukraine so we have had some disruption there but the team has built out a much broader team now and it's not just based in Ukraine. It is based in other parts of the world now and we continue to focus on live ops.

So I think the two things that I would say has driven Social Casino was much better live ops over the last couple of years, continuing to refine that and really make a difference and also increasing the cadence of our game releases.

So we've been releasing more games into our Social Casino portfolio, both as land based games going to social and also digital first games. We've talked to you a few times about digital first in the past and we're now seeing games that have been released digital first and coming back to land based gaming and being successful in land based gaming from day one.

So that strategy is starting to really show some benefit to us and benefit both in the digital business but also in bringing better games to our gaming business as well.

James Coghill: Again, another related question there, Trevor. Are there any new casual genres that you're interested in entering into where you currently don't have games available?

Trevor Croker: Probably going back to Matt's first question and there was part of that which I probably didn't answer and thanks for the prompt on that. I think where we were is, we've seen ourselves quite structured sitting into the Social Casino business, the RPG strategy business and casual.

Within casual, I would put it into Merge, particularly and Merge is a segment that we've spoken to you about investing behind and taking the key position. That really was with EverMerge early on, now we've got Merge Gardens coming through.

We see Merge being another important sub-genre within the social gaming business. Also, we think that the skills in Merge could be applied to other genres that were existing in being in the Social Casino or RPG and strategy and action areas as well.

So I think the genres we're in, we continue to refine our skillsets. Being number one in social slots, continuing to be the leader in RPG and strategy. Entering action through Mech Arena and then continuing to build out our strategic portfolio with Magic Wars next year.

You know, it keeps the strength in the portfolio we've got and we'll start to then use things like Merge (FuturePlay) as a way to improving our Merge position which we still think Merge is a sub-genre in casual that's got growth left in it.

James Coghill: Thanks. Let's move back to RMG because there are a few more questions that have come through on that, Trevor. The first one is, what are the key KPIs you're watching for in RMG as you ramp up the launch? What would be the measures to look for before you expand beyond the planned three states?

Trevor Croker: Yes, I won't give you the public metrics but I'll just tell you what we're looking for. It's very similar to the same thing as a gaming operations business, right? It's game performance. So within an RMG suite, there's going to be a number of games and performance so we're going to be looking at game performance.

Looking at game performance relative to house average or floor average, depending on how you want to calculate it based off the online and then obviously looking at the way that those games are then positioned and marketed within the platforms themselves.

So, we anticipate that better games will have better positioning and better marketing and be more of a beacon for games and for game play. So they're the sorts of things that we're looking at.

The way that we think about that and that really comes down to launch strategies with the operators and so I won't get into individual strategies there but great games, well positioned on the websites with appropriate player mechanics that are working for the operator and also work for the game as well.

What happens in the other markets, we're still seeing a little bit of slowness in the opening up of other markets. As I said, there's only seven open at this point in time. There's a lot of talk about more opening and we do anticipate that to continue to happen.

That will then make sure that we're ready both with the game portfolio and now with a technology stack that will give us the ability to enter those markets quicker with a more purpose-based RGS.

James Coghill: Trevor, we have got one - actually, a couple of final questions that have come through on the balance sheet and I might just ask if anyone has further questions, please submit them through the webcast or queue for a call. We've got about five minutes before our allotted time runs out here.

So the questions on the balance sheet, Trevor, could you please explain why you haven't been in the market buying back shares over the last couple of weeks and the other question is touching on one of the comments that you made in your opening remarks about paying down debt. Could you please expand on that?

Trevor Croker: Thank you for that. We've been in and out of the market now since I think it's 2 June or 3 June as far as buyback goes. We've taken an approach that we would be in there when we needed to be in there, but we also preserve the optionality.

We are fully committed to delivering our $0.5 billion of buyback which we made a commitment to do at our half year results. We remain completely committed to that. It's about just continuing to maintain optionality.

We've just announced a transaction yesterday. That would mean that there would be some - if you like - some governance that would expect that we would not be participating at a time when we were going through something like that. So we've taken a prudent approach to that. We remain committed to exercising the full $0.5 billion worth of share buyback, and we remain on track to do that.

As far as my comments about the optionality, we continue to look at our capital structure. The business is in good shape. It has good access to liquidity. Very, very strong cash flows and fundamentals of the business remain very strong. We've got to continue to look at all these options and we will continue to think about these options that are in the best interest of all shareholders and also preserving optionality to continue to drive growth.

That's a live conversation we have with the Board on an ongoing basis. I just highlighted that there are options such as paying down debt that can be considered in the Group at this point in time.

But it's the same story when it comes to capital allocation from a risk spreads point of view, is investing in D&D, investing in UA, investing in CapEx, preserving optionality for M&A to drive the next wave of growth and then looking at dividends, buybacks and debt pay-down as ways of just continuing to protect our position off the back of what is a very strong cash generating organisation.

James Coghill: We've got no more questions that have been queued Trevor. So it looks like we might be able to give you five minutes of extra sleep. So I don't know if you want to make any closing remarks before we wrap up?

Trevor Croker: Just again I appreciate the opportunity to talk to shareholders again today. We are just about to finish up our financial year as James mentioned at the start.

Obviously coming into G2E which is an exciting time for the industry I think, this year's G2E will be a very big trade show. I think it will be well attended and very popular. So keen to see how that show goes. But our team has put together a great portfolio of games and cabinets.

As I said earlier 100% of the games in for sale will be new. 70% of Class II and Class III will be new. It just goes to the continued innovation that I mentioned earlier about innovating to drive growth at Aristocrat. There will be some new cabinets. There will be some new ideas that will be there as well.

Then when it comes to the digital business, we've been talking to about the things we were going to do. So we have launched the incremental features in Raid in the last couple of weeks. Mech Arena is now on Plarium Play. As I said, watch out for Merge Gardens, that's due any day now. That is a genre as I said that we believe is going to have longer term growth and continue to stay focused on it.

But I would just put in the context that there's a lot of headwinds out there at the moment in the world. We're not seeing it coming through in our Gaming business. We've seen it come through in our digital business. But our business is well diversified to participate and to protect. I feel confident about what we've seen in the past, particularly in Gaming, that our portfolio is well positioned and our company is well positioned.

It's a little bit harder in digital because we haven't seen this environment in the digital world in the past. But as I said we've been prudent in the way we've run the business. We have protected our opportunity. We have made sure we continue to invest in what's fundamental for the business. We've got the flexibility in the balance sheet to be able to do the things that will accelerate growth and take opportunities when they come in the market coming forward.

So I don't really have much more. I appreciate shareholders' time and the market's time to hear us this morning. We look forward to keeping you updated once we get through G2E for those who will be seeing us there, otherwise I'm using your spiel now James but otherwise we look forward to talking to you in November. So thank you.

James Coghill: Well that's great Trevor. That's right. That did cover a lot of what I wanted to say in my closing remarks. If anyone has any other questions please send those through to Linda or myself and we'll look at those this week. Have a good day everyone. Thanks for making time for us.

Trevor Croker: Thank you everybody.

Natalie Toohey: Thank you.

End of Transcript