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ASX RELEASE

20 August 2010

The Manager
Company Notices Section
ASX Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

ARDENT LEISURE REPORTS FULL YEAR EARNINGS

Ardent Leisure Group (ASX: AAD) today announces its full year result for the year ended 30 June 2010.

The Group achieved core earnings of \$34.5 million against core earnings of \$45.2 million recorded in the prior year. The Group recorded a statutory profit of \$19.0 million for the full year against a statutory net loss of \$0.7 million in the prior year.

Ardent Leisure Group Chairman, Mr Neil Balnaves advised: "The Ardent business has been impacted in the second half by a general deterioration in the retail trading environment. Pleasingly, ongoing operational and marketing initiatives have delivered a return to revenue growth across all operating divisions since year end. The Group is now well positioned to return to profit growth and maximise organic growth opportunities from our major operating platforms."

Theme Parks

The Theme Park Division recorded total revenues of \$98.6 million, a decline of 4.8% on the prior year. Earnings before property costs for the period totalled \$33.2 million representing a decline of 13.8% on the prior year.

Group Chief Executive Officer, Mr Greg Shaw said: "The Theme Park Division recorded attendance growth of 9.6 % however per capita spending fell by 13.1% following more difficult trading conditions in the second half."

July 2010 has seen a strong rebound with theme park revenues of \$10.6 million, up 22.8% on July 2009, being positively impacted by QDeck and annual pass revenues.

September school holidays will feature the launch of the new Tower of Terror II – Face Gravity, Face First experience. This new experience is expected to reinforce Dreamworld's leading position in the thrill ride market and is the first in a series of new attractions planned over the next three years.

Ardent Leisure Group

Comprising

Ardent Leisure Trust ARSN 093 193 438

(Manager: Ardent Leisure Management Limited ABN 36 079 630 676, AFS Licence No. 247010) and

Ardent Leisure Limited ABN 22 104 529 106

Following the purchase of QDeck in December 2009, the business has now been fully integrated with theme park operations resulting in improved operational and marketing efficiencies.

d'Albora Marinas Delivers Higher Earnings

d'Albora Marinas recorded total revenue of \$22.7 million being in line with prior year revenues. Earnings before property costs of \$12.0 million increased 1.3% on the prior year.

Berthing revenues of \$11.4 million matched those of the prior year while a successful leasing campaign has seen land tenancies now almost fully occupied. Operating margins of 52.9% were achieved for the period against 52.1% achieved in the prior year. The d'Albora business has proved highly resilient throughout the GFC and is well positioned to maintain earnings growth.

July 2010 revenues of \$1.7 million represent a 7.9% increase on July 2009.

Bowling Boosted by New Openings

The Bowling Division achieved total revenue of \$102.0 million for the year reflecting a 3.8% decline on the prior year. Earnings before property costs totalled \$32.6 million representing a 4.9% decline on the prior year.

Group CEO, Mr Greg Shaw noted: "Constant centres in the Bowling Division experienced a small decline in revenue due to the subdued retail environment and comparably unfavourable weather conditions in Western Australia, South Australia and New Zealand. Earnings have been impacted by centre closures without a full year contribution from new centres. Operating margins were maintained at 32.0% through further improvements in labour productivity and stable corporate overheads."

The Group successfully completed new developments at Clayton in Victoria (April 2010), Rooty Hill RSL in NSW (June 2010) and Robina Shopping Centre in Queensland (June 2010). Strong trading has been recorded at AMF Rooty Hill since opening with the centre delivering the best revenue performance across the portfolio.

A new development is planned for Watergardens shopping centre in Victoria (October 2010) with redevelopment of the AMF Cross Roads centre scheduled for completion in the third quarter of FY2011. Refurbishment of three Western Australian AMF centres is also planned in order to enhance operating results in this market.

July 2010 revenues of \$12.0 million reflect a 9.6% increase on July 2009, with constant centre revenues increasing by 3.6%.

Main Event

Main Event recorded total revenues of US\$45.7 million representing a decline of 1.5% on prior year. Earnings before property costs for the period totalled US\$14.9 million representing a 3.6% decline on the prior year. On a constant centre basis, revenue has declined by 6.9% while constant centre earnings before property costs also declined by 7.4%.

The financial year has been impacted by ongoing economic stress within the US economy and a weak retail environment. Despite these influences the business has delivered positive earnings growth since February 2010 with a gradual improvement of both walk-in and event business.

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A constant focus upon cost control has seen operating margins of 32.6% maintained against 33.3% achieved in the prior year.

Mr Shaw advised that: “The Main Event business has recorded July 2010 revenues of US\$5.0 million, an increase of 17.1% on July 2009. This has been achieved through the success of a range of value for money promotions. While it remains difficult to forecast any significant improvement in retail trading conditions in the short term, current marketing strategies are clearly delivering positive results.”

Goodlife Health Clubs Expands Portfolio

Goodlife Health Clubs recorded total revenues of \$73.4 million representing a 5.8% increase on prior year. Earnings before property costs for the period increased 3.9% to \$27.1 million with operating margins being maintained at 36.9% against 37.6% recorded in the prior year.

On a constant club basis, total revenues fell by 0.8% whilst earnings before property costs fell by 5.7% reflecting increased expenditure on marketing and operational systems in the second half.

Goodlife completed the acquisition of seven Zest health clubs in Western Australia in April 2010 with this portfolio performing in line with expectations since settlement. A new Goodlife facility at Cross Roads in Adelaide is scheduled to open in the third quarter of FY2011. Goodlife is the leading health club operator in Brisbane, Adelaide and Perth and our future development and acquisition strategy will be designed to further strengthen Goodlife’s presence in these key markets.

In June 2010, Mr Greg Oliver was appointed as the new CEO of Goodlife Health Clubs bringing over 30 years industry experience to the business.

July 2010 revenues were \$7.1 million, 21.0% up on July 2009, with constant club revenue increasing by 0.7%.

Capital Management and Valuations

Independent valuations of the Group’s freehold assets as at 30 June saw total assets fall 6.5% to \$697 million.

During the period the sale and leaseback of the AMF freehold portfolio was successfully completed with gearing reduced to 32.0% as at 30 June 2010.

As at 30 June 2010, Australian bank facilities were drawn to \$194 million against a facility capacity of \$214 million. The Group continues to await the settlement of the sale of excess land adjacent to Dreamworld. This sale will generate \$16.5 million in proceeds with \$11.5 million due on completion anticipated in the first half of FY2011 and \$5.0 million deferred for 12 months.

Strategy and Outlook

The past 12 months has been utilised to further refine the cost base of the business and to take advantage of acquisition opportunities at attractive earnings multiples. The acquisition of the QDeck on the Gold Coast and seven Zest health clubs in Western Australia will both provide incremental revenue and profit streams in the coming year.

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The return to strong revenue growth in July 2010 together with the pursuit of organic growth opportunities in both bowling and health club divisions will provide further earnings momentum.

While it remains difficult to predict when economic and retail trading conditions will experience a consistent rebound, the Group is well positioned when this occurs.

Yours faithfully

Alan Shedden
Company Secretary

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Ardent Leisure Group is a specialist operator of leisure and entertainment assets across Australia, New Zealand and the United States. The Group operates Dreamworld, WhiteWater World, QDeck, d'Albora Marinas, AMF and Kingpin bowling centres and Goodlife fitness centres across Australia and New Zealand. The Group also operates the Main Event family entertainment centres in the United States. For further information on the Group's activities please visit our website at www.ardentleisure.com.au

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