



MACQUARIE
ACN 002 574 923

Macquarie Private Wealth



Ardent Leisure

Business Description

Ardent Leisure Group (AAD, formerly Macquarie Leisure Trust Group) is a stapled security comprising a unit in the trust and a share in the operating company. AAD is effectively a leisure property operator and owner with large businesses in Australian theme parks, bowling alleys and health clubs together with smaller businesses in Australian marinas and US family entertainment centres.

Strategy Analysis

Clearly focused on the operation of owned and leased assets within the leisure sector, AAD emphasises a low price point, value for money and mass market appeal, family leisure offering. Investment focus is assets located in close proximity to domestic population centres, offering diversity in the income stream, predominantly reliant on domestic leisure markets with limited exposure to international visitors, and exposure to creditworthy tenants. Macquarie Leisure Trust Group reported net loss of \$748,000 for the year ended 30 June 2009. Revenue from ordinary activities were \$366.67m, up 10.7% from last year. Diluted EPS was (0.31) cents compared to 17.81 cents last year. Net operating cash flow was \$82.24m compared to \$72.69m last year. The final dividend declared was 7.80 cents, taking the full year dividend to 14.30 cents compared with 19.60 cents last year.

06 September 2010

Recommendation

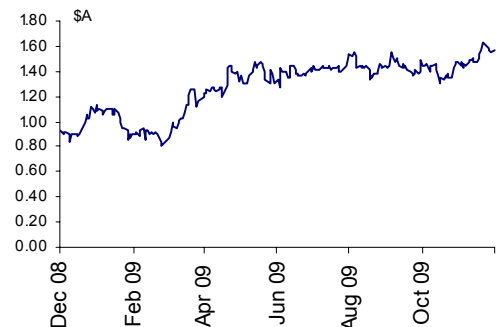
Recommendation: Neutral
Relative to: Small Ind (ex Fins)

Investment Fundamentals

ASX code: AAD
Stock price: \$1.03
Market cap: \$322m

	Y/E 30/06/2010	2011e	2012e	2013e	2014e
Reported e	\$m	33.0	38.0	47.6	36.6
Adjusted e	\$m	35.4	40.4	47.6	36.6
EPS adjusted	¢	11.2	12.4	14.6	11.3
EPS growth	%	30.0	11.4	17.7	-23.0
PE	x	9.2	8.3	7.0	9.1
PE relative	x	0.7	0.7	0.6	0.8
DPS	¢	11.0	12.0	14.1	10.9
Yield	%	10.7	11.7	13.7	10.6
Franking	%	0.0	0.0	0.0	

Share Price



Source: ASX and Company accounts

Segment Performance

Results by Industry	Revenue (%)	Return on Sales (%)	Return on Assets (%)	Annual Shareholders' Return	
				1 year	3 year
Bowling	28.9	10.3	12.3	-28.0%	
Theme parks	28.3	9.5	28.6	-27.0%	
Health Clubs	18.9	3.6	5.0	-8.0%	
Family Entertainment Centres	17.2	6.0	10.5	11.0%	
Other	6.8	5.5	21.6		
Total	100.1	34.9	78.0		
Results by Geography				Dividend Reinvestment Plan	Yes
Australasia	82.9	0.0	0.0	Shareholder Discounts	No
United States	17.2	0.0	0.0		
Total	100.1				

Company contact details:

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Disclosure: In accordance with Section 849 of the Corporations Law, Macquarie Equities Limited states that The Macquarie Group acted as Joint Lead Manager, Underwriter and Bookrunner to Ardent Leisure Group (formerly Macquarie Leisure Trust Group) in respect of its institutional placement as announced 25 June 2009. Macquarie Capital Advisers Limited, a related body corporate of Macquarie Capital Securities (Australia) Limited, acted as lead manager to the placement of shares in Macquarie Leisure Trust Group Limited announced 19 March 2008. The MLE stapled securities comprise the securities of the Macquarie Leisure Trust and Macquarie Leisure Operations Limited. The responsible entity of the Macquarie Leisure Trust, Macquarie Leisure Management Limited, is a related body corporate of the Macquarie Group. Within the last 12 months, Macquarie Group has received compensation for investment advisory services from Ardent Leisure Group.

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