



## **ARISTOCRAT LEISURE LIMITED ANNOUNCES 2003 ANNUAL RESULTS**

The Board of Aristocrat Leisure Limited today announced the Company's annual results for the period ended 31 December 2003.

Key points include:

- Revenue for the period increased marginally from \$976.5 million to \$995.2 million setting a new revenue record for Aristocrat.
- The Company reported a loss after tax of \$106.0 million in 2003. This loss arose principally from one-off adjustments amounting to \$160.0 million.
- Prior to these one-off adjustments, the Company's net profit after tax of \$54.0 million was down 32.6% on the \$80.1 million earned in 2002.
- A major achievement of Aristocrat during the year was the \$125.4 million increase in operating cash flow over 2002. This strong result enabled the Company to repay all but a nominal amount of bank debt during the year. Over the year net debt, including US convertible bonds, fell from \$292.1 million to \$70.2 million.

The Chief Executive Officer (designate), Mr Paul Oneile, said the loss was disappointing. However, he was confident of the underlying strength of the Company.

Mr Oneile went on to say: "The strong cash flows generated during the year reflect the underlying financial health of Aristocrat and the resilience of its business.

The Company has taken the necessary action in relation to the one-off adjustments and can now move forward with confidence, totally focused on its core business and customers and driving shareholder value."

Operating sector key points include:

- Australian revenue (excluding intersegment revenue) was \$302.4 million, 16.4% less than 2002, reflecting the difficult market conditions that prevailed during the year.

- Segment revenue from North America was down by 17.9% to \$241.4 million, however, in local currency terms, revenues were flat year on year. In South America, revenue was negative \$20.6 million compared to \$38.4 million in 2002.
- A highlight of the year was the Japanese result. Revenue was \$360.7 million, a 98.9% increase over 2002. The contribution made by Aristocrat's Japanese business towards total revenue was 36.2% compared to 18.6% in 2002. Notwithstanding the success of the Japanese business during 2003, new regulatory requirements and a return to a more competitive environment during this year may have a negative impact on the Company's operations during 2004. The Company is, however, working on a number of initiatives to mitigate any impact on future results.

Results compared to the same period last year:

	Result before One-off Adjustments \$ Million	Variance* %	Reported Result \$ Million	Prior Year Result \$ Million
Total Revenue	1,021.3	4.6	995.2	976.5
Earnings Before Interest, Tax, Depreciation and Amortisation	143.4	(17.6)	(39.4)	174.0
Earnings Before Interest and Tax	103.5	(24.6)	(84.0)	137.2
Profit/(Loss) before Tax	87.7	(27.0)	(99.8)	120.2
Profit/(Loss) After Tax	54.0	(32.6)	(106.0)	80.1

\*Variance represents the difference between the current year results before one-off adjustments and the prior year result

The Board has approved a final dividend in respect of the year ended 31 December 2003 of 3 cents per share. The total dividend for the year is 6 cents. The final dividend, payable on 24 March 2004, will be 40% franked.

Sydney, Australia, 24 February 2004

Media Inquiries: Margot McKay on 0412 132 769