



ASX ANNOUNCEMENT

2002 FULL YEAR PROFIT UPDATE

Aristocrat has previously indicated it was confident of meeting market consensus earnings forecasts of \$109m for the full year NPAT. Initial post balance date indications were that all of the company's jurisdictions would meet their budgeted targets.

A large transaction in South America, involving the sale of a significant number of electronic gaming machines, was concluded in December after several months of negotiations. Subsequently, the customer has failed to fulfill a number of obligations in relation to this contract. The Board and Management of Aristocrat have now decided that it wouldn't be prudent to recognize this revenue in the 2002 full year result, although the Company is continuing to negotiate with the customer.

This decision has two ramifications:

- NPAT for the full year to 31 December 2002 will not now meet consensus market forecasts, and is expected to be \$80.2 million, subject to final audit.
- Inventory at 31 December will be higher than planned due to the taking back of the machines in question.

Results for the 2002 year, when released on 18 February, will demonstrate the extreme resilience of the Company's Australasian businesses and the strong growth being achieved in the USA, Japan and the Company's traditional overseas jurisdictions.

The Company's dividend will be maintained at an annual rate of 12.0c per share, and will be fully franked. The Dividend Reinvestment Plan will remain in force.

The Board and Management of Aristocrat remain confident of meeting the Company's long-term goals.

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