

Aristocrat Leisure Limited

**Results for the year ended
31 December 2008**

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David Simpson

Executive Chairman

Simon Kelly
Chief Financial Officer
and Finance Director

Reported Results vs October Guidance

	Actual \$Million	Guidance \$Million
Operating Profit after Tax	141.0	120 - 150
Abnormals		
- Class Action	(40.2)	} (22)
- Property Sales	21.0	
- Asset Impairment	(19.9)	
		-
Net Profit after Tax	101.9	98 - 128

Profit and Loss

	Constant Currency 2008 \$Million	Normalised* 2008 \$Million	Reported 2007 \$Million
Total Revenue	1,027.2	1,079.9	1,122.0
Gross Margin	53.2%	52.1%	58.0%
SMG&A	231.8	238.4	238.7
EBIT before R&D	315.8	330.1	436.5
R&D	115.8	117.2	104.2
Profit before Tax	180.2	193.1	326.2
Tax %	26.9%	27.0%	24.0%
Profit after Tax	131.8	141.0	247.9
Earnings Per Share (fully diluted)	28.5c	30.5c	52.8c

* 2008 Actual has been normalised for Class Action settlement (\$57.4m), Profit from Property Sales (\$21.0m) and Asset Impairment (\$19.9m).

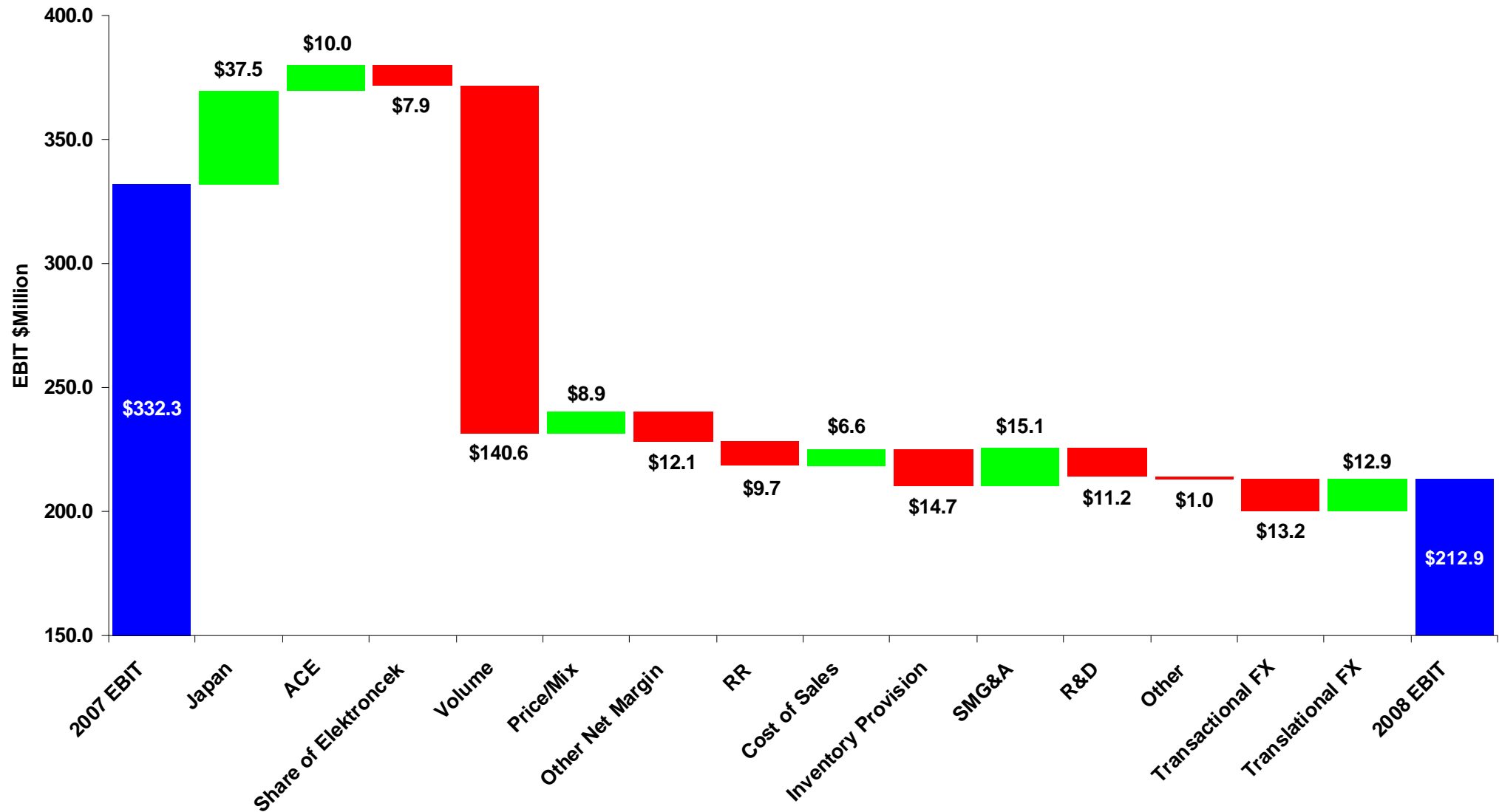
Profit and Loss

	Normalised* 2008 \$Million (Dec Rate)**	Normalised* 2008 \$Million	Reported 2007 \$Million
Total Revenue	1,237.0	1,079.9	1,122.0
Gross Margin	51.9%	52.1%	58.0%
SMG&A	262.2	238.4	238.7
EBIT before R&D	385.8	330.1	436.5
R&D	129.6	117.2	104.2
Profit before Tax	235.8	193.1	326.2
Tax %	27.0%	27.0%	24.0%
Profit after Tax	172.1	141.0	247.9
Earnings Per Share (fully diluted)	37.3c	30.5c	52.8c

*2008 Actual has been normalised for Class Action settlement (\$57.4m), Profit from Property Sales (\$21.0m) and Asset Impairment (\$19.9m)

**December 2008 rates: USD 69.28c; JPY 62.57

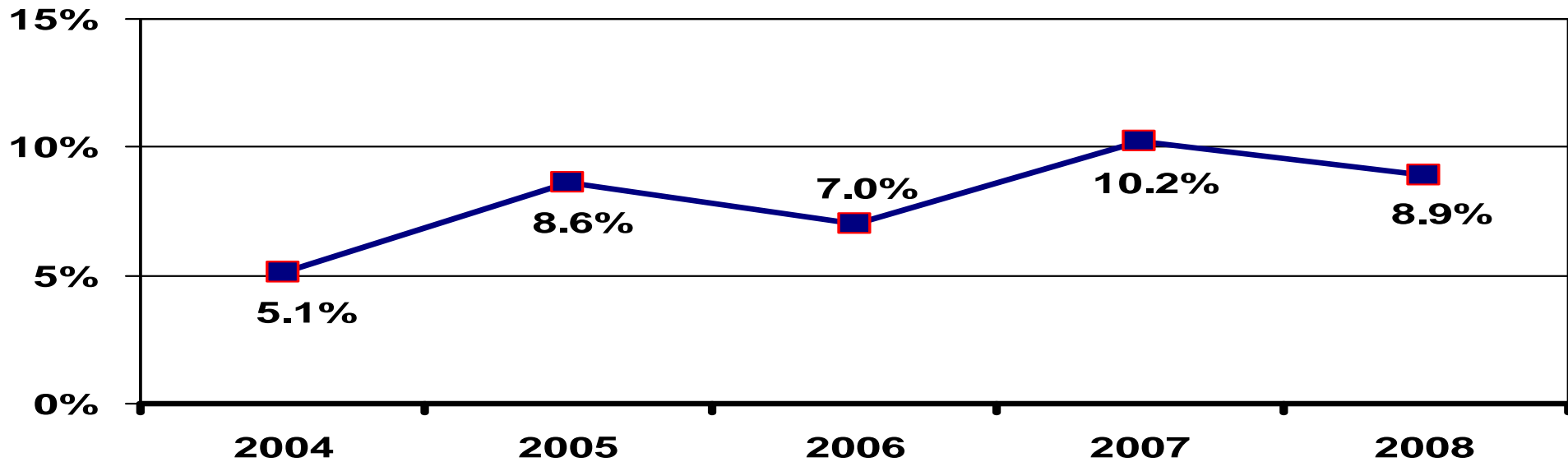
FY 2008 vs FY 2007 Normalised EBIT



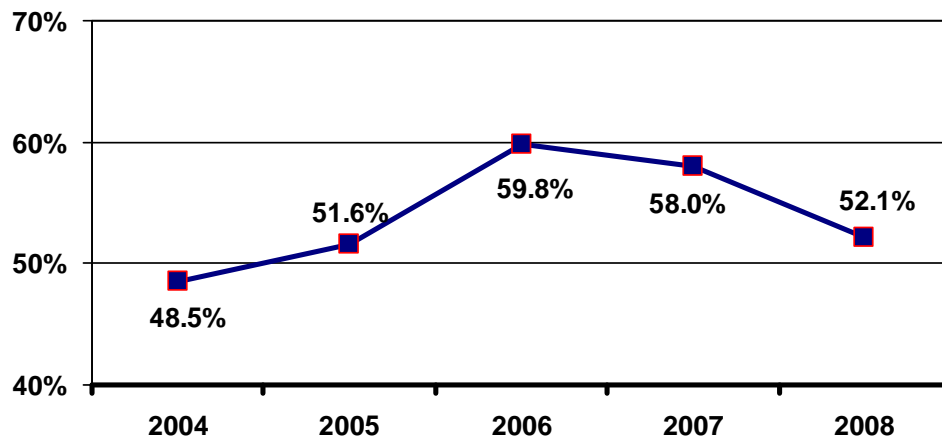
5 Year Trend Analysis

WEIGHTED AVERAGE GLOBAL PRICING

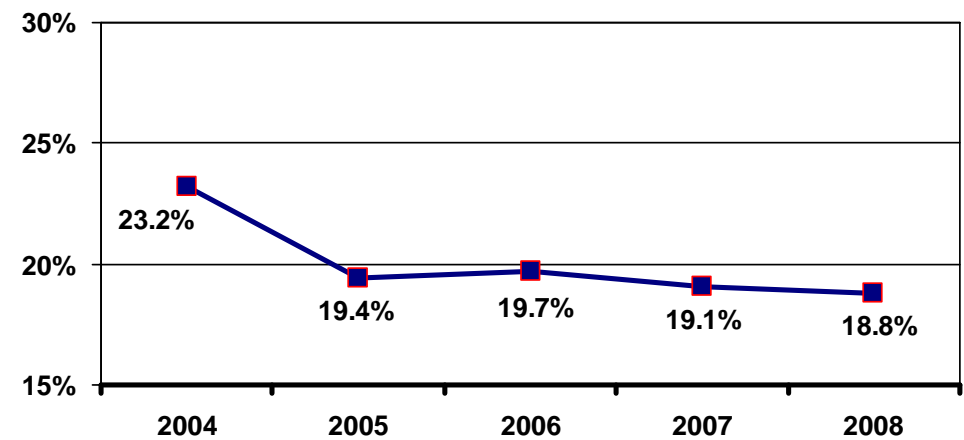
GROWTH ^{(1) (2)} - CAGR 8.7%



GROSS MARGIN



NET EXPENSES ⁽³⁾ / REVENUE



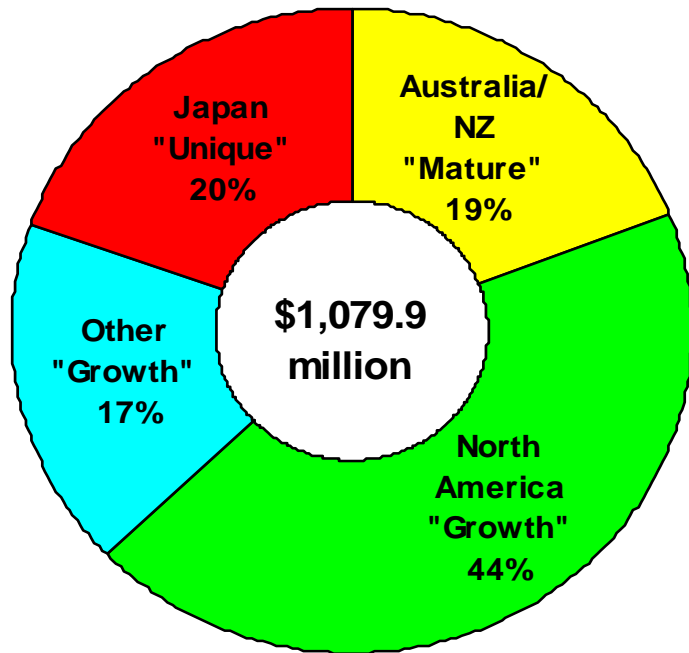
(1) Constant Currency - annualised

(2) Excludes Japan

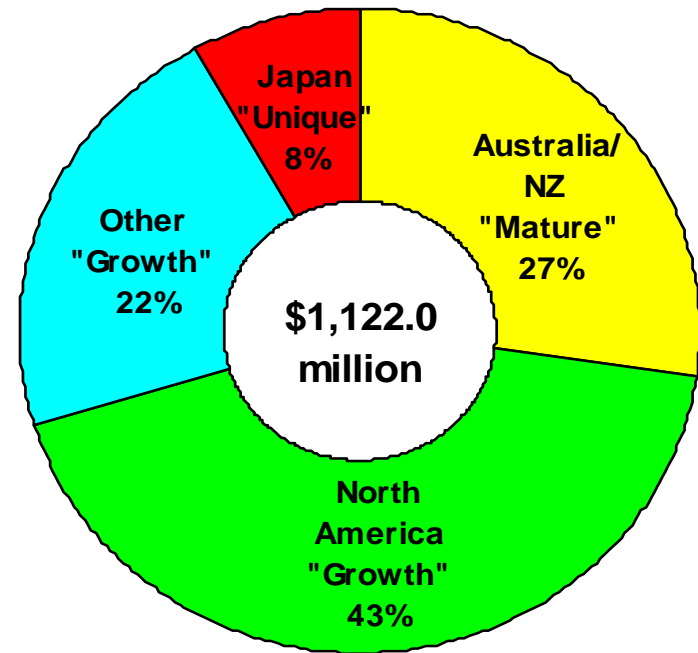
(3) Excludes R&D

Segment Revenue Split

2008 Segment Revenue by region



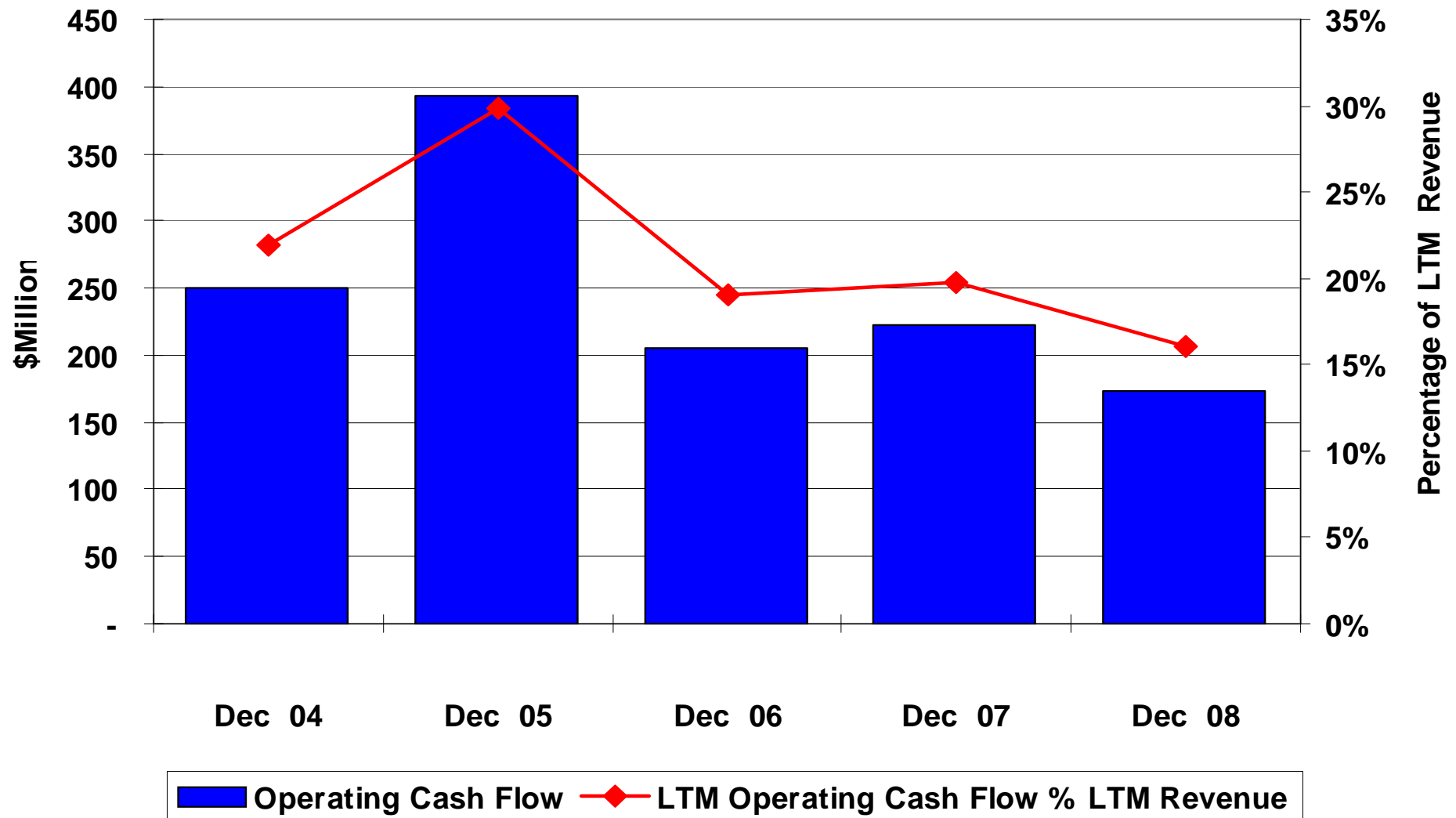
2007 Segment Revenue by region



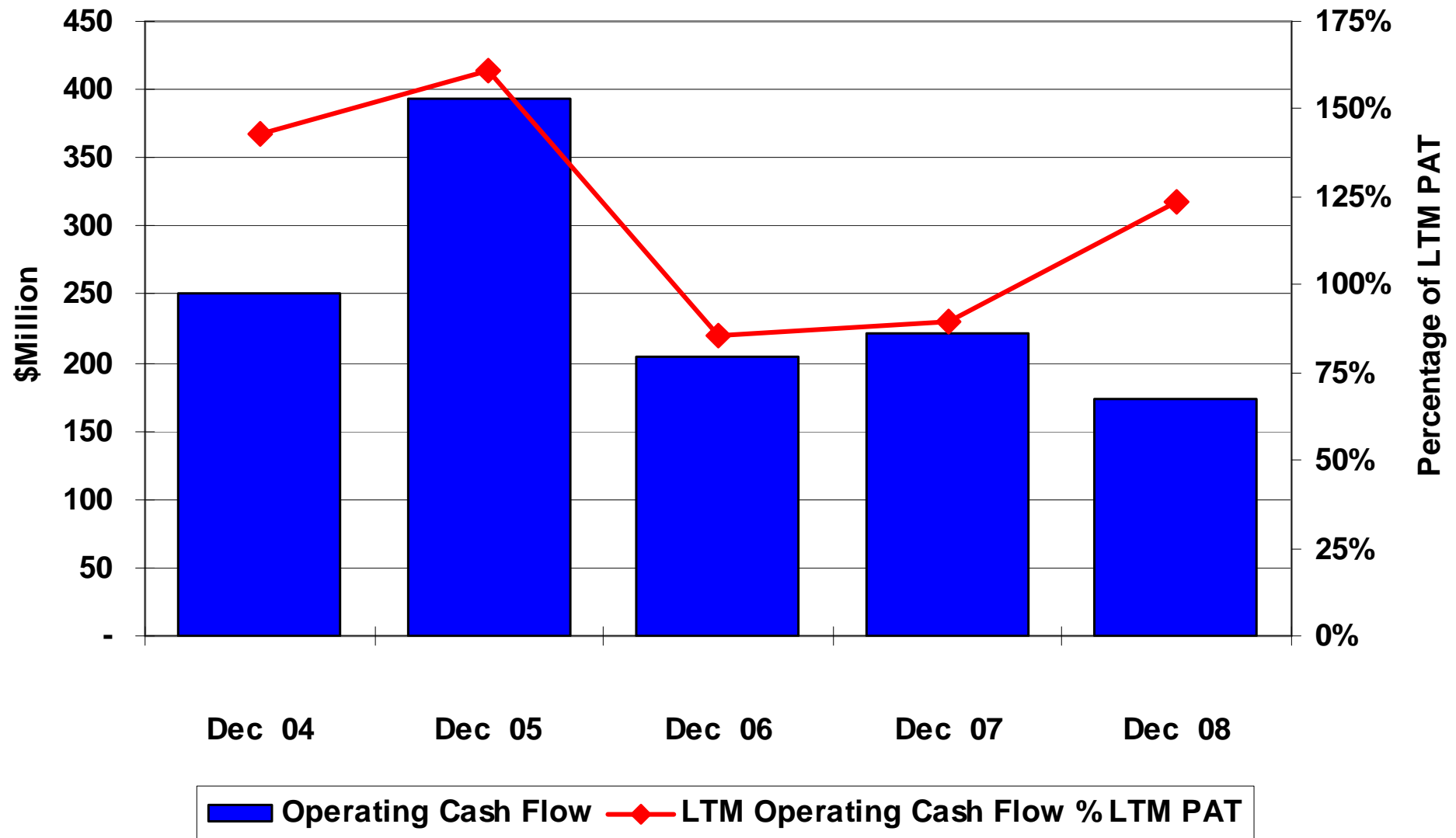
Cash Flow

	2008 \$Million	2007 \$Million
Net debt - opening balance	(111.8)	(40.8)
Operating cash flow	173.8	222.2
Investing cash flow	(18.4)	(55.3)
	155.4	166.9
Financing cash flow	1.8	4.0
Capital management initiatives	(334.6)	(253.0)
Movement in net debt	(177.3)	(82.1)
Effect of exchange rate changes on net debt	(29.9)	11.1
One-off - Class Action Settlement payment	(57.4)	-
Net debt - closing balance	(376.4)	(111.8)

Operating Cash Flow vs Revenue



Operating Cash Flow vs PAT



Capital Management

Bank Facilities

- 364 day facilities rolled to February 2010
- Overall facilities reduced to A\$805 million debt and US\$100 million LC
- 3 year facility matures February 2011

Capital Management

- On market buyback suspended
- Dividend payout ratio 50 – 70%
- Supplementary dividends suspended
- Underwritten DRP

Commitment to maintaining investment grade credit rating

Key Financials and Ratios

	2008*	2007
	\$Million	\$Million
EBITDA	253.2	366.7
EBIT before R&D	330.1	436.5
EBIT	212.9	332.3
Working Capital/Revenue (%)	14.4%	12.1%
Operating Cash Flow	173.8	222.2
Operating Cash Flow/Revenue (%)	16.1%	19.8%
Operating Cash Flow/PAT (%)	123.3%	89.6%
Net Debt	376.4	111.8
Net Debt/EBITDA**	1.5X	0.3X
EBITDA/Interest Expense**	13.0X	29.0X
Return on Equity	73.3%	77.1%
Fully Diluted EPS	30.5c	52.8c
Fully Diluted Operating Cash Flow per Share	37.8c	47.4c

* 2008 Actual has been normalised for Class Action settlement (\$57.4m), Profit from Property Sales (\$21.0m) and Asset Impairment (\$19.9m).

** EBITDA represents Bank EBITDA which is inclusive of interest received.

Segment Review

Australia/New Zealand

At Constant Currency [^]	2008 \$Million	2007 \$Million	Variance %
Revenue	208.2	305.3	(31.8)%
Profit	60.8	119.0	(48.9)%
Margin %	29.2%	39.0%	(9.8) pts

[^] Adjusted for translational exchange rates using rates applying in 2007

Australia

- Delayed launch of *Viridian™ Gen 7™*
- Continued deterioration in market conditions
- Hardware sales down 44%, conversions up 29%
- Share of installed base static at 67%
- Aristocrat hardware replacement cycle – annualised 35 years
- Performance and average pricing improvements driven by *Viridian™ Gen 7™*
- Successful launch of licencing model

New Zealand

- Restrictive regulatory environment, continued decline in gaming venues

North America

At Constant Currency [^]	2008 \$Million	2007 \$Million	Variance %
Revenue	456.7	483.6	(5.6)%
Profit	181.4	203.9	(11.0)%
Margin %	39.7%	42.2%	(2.5) pts

[^] Adjusted for translational exchange rates using rates applying in 2007

- Delayed approval of *Viridian*[™] *Gen 7*[™]
- Worsening economic conditions
- Replacement cycle at historic low – implied c18.5 years
- Unit sales fell 21.5%, software increased 36%
- Average price growth of 8.4%
- Growth in recurring revenue installed base, average increased 10%
- Recurring revenue down to USD37/day – lower operator revenue, jackpot vs non-jackpot mix
- Q4 share returned to 2007 levels
- Record systems revenue – competitiveness and share maintained

Japan

At Constant Currency [^]	2008 \$Million	2007 \$Million	Variance %
Revenue	174.8	91.2	+91.7%
Profit	43.4	5.9	+635.6%
Margin %	24.8%	6.5%	+18.3 pts

[^] Adjusted for translational exchange rates using rates applying in 2007

- Overall size of pachislot market and demand continues to decline
- Operator focus on major titles – price competitiveness
- Record share of annual sales, c6% - 7%
- 57,473 units sold vs 29,843 in 2007 - 5 games released
- Maintained Yen gross margin/unit
- Margin improvement driven by fixed cost leverage and lack of significant inventory provisioning
- 2 further games approved, 6 in development/regulatory approval process

Consolidated Other Markets

At Constant Currency [^]	2008 \$Million	2007 \$Million	Variance %
Revenue	214.7	280.4	(23.4)%
Profit	57.0	87.3	(34.7)%
Margin %	26.5%	31.1%	(4.6) pts

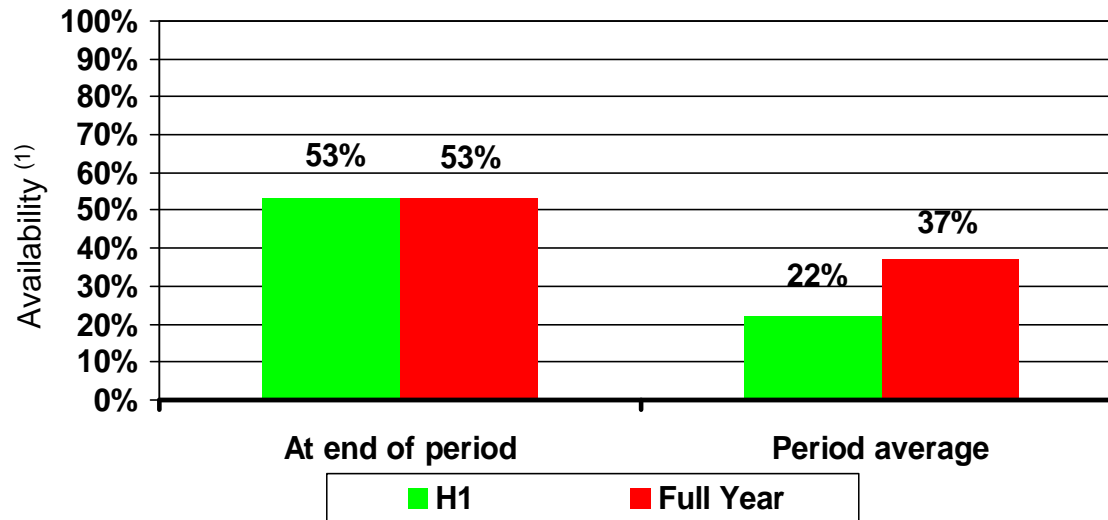
[^] Adjusted for translational exchange rates using rates applying in 2007

- Macau results impacted by timing of venue openings/machine overhang
- Europe affected by delayed game approvals and economic environment
- European release of *Viridian™ Gen 7™* - average prices up 28%
- Sales growth in South Africa (+9%) and South America (+75%)
- Stable/growing regional market positions maintained
- Elektroncek results impacted by timing of venue openings and poor economic environment
- Initial revenues earned from ACE business

Paul Kitchen
Group General Manager
Marketing

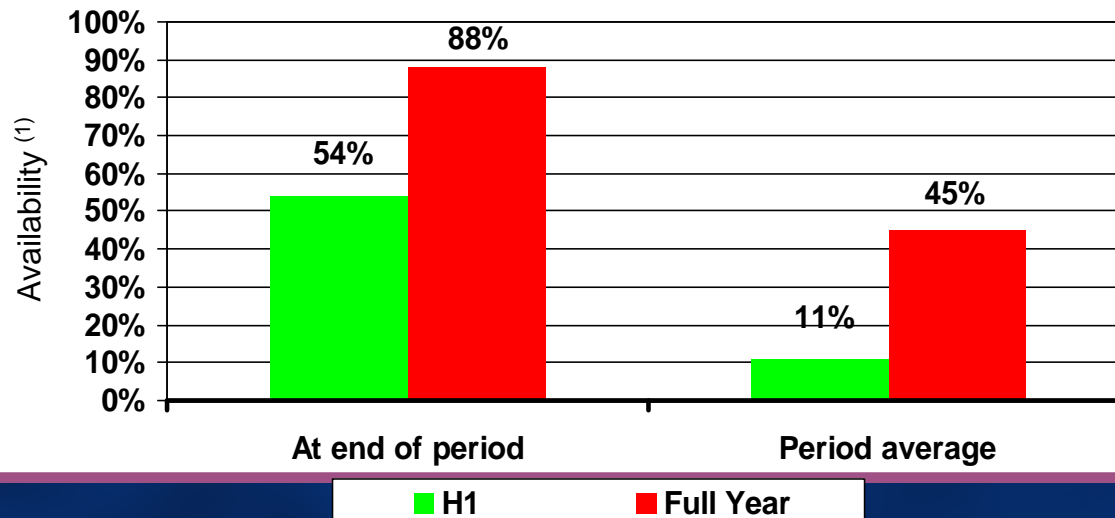
Viridian™ Gen7™ Platform Availability

AUSTRALIA



- Improved availability of Viridian cabinet in North America during the 2nd half of 2008

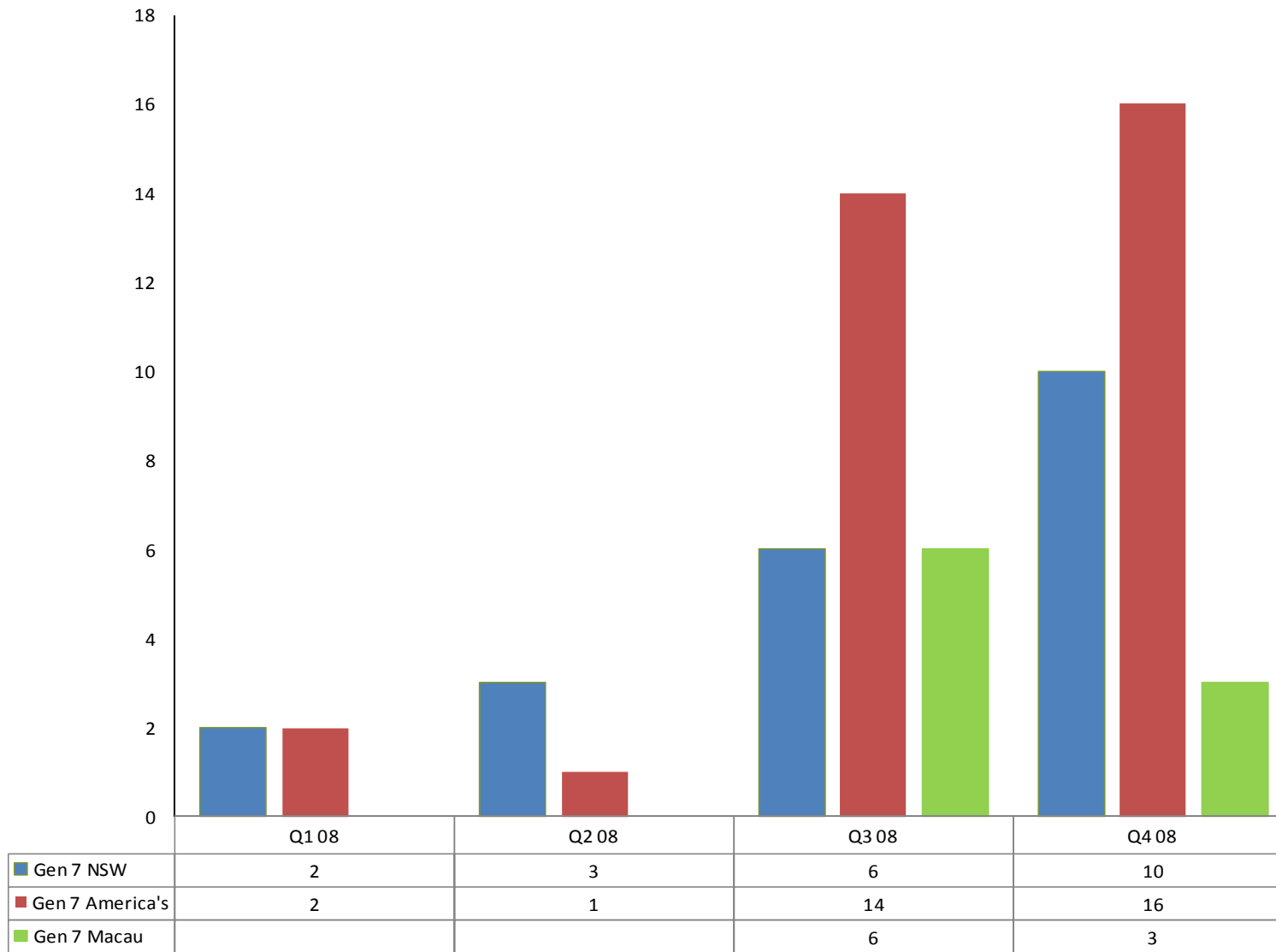
NORTH AMERICA



Current units in the field

- USA > 6,000
- Australia > 2,000

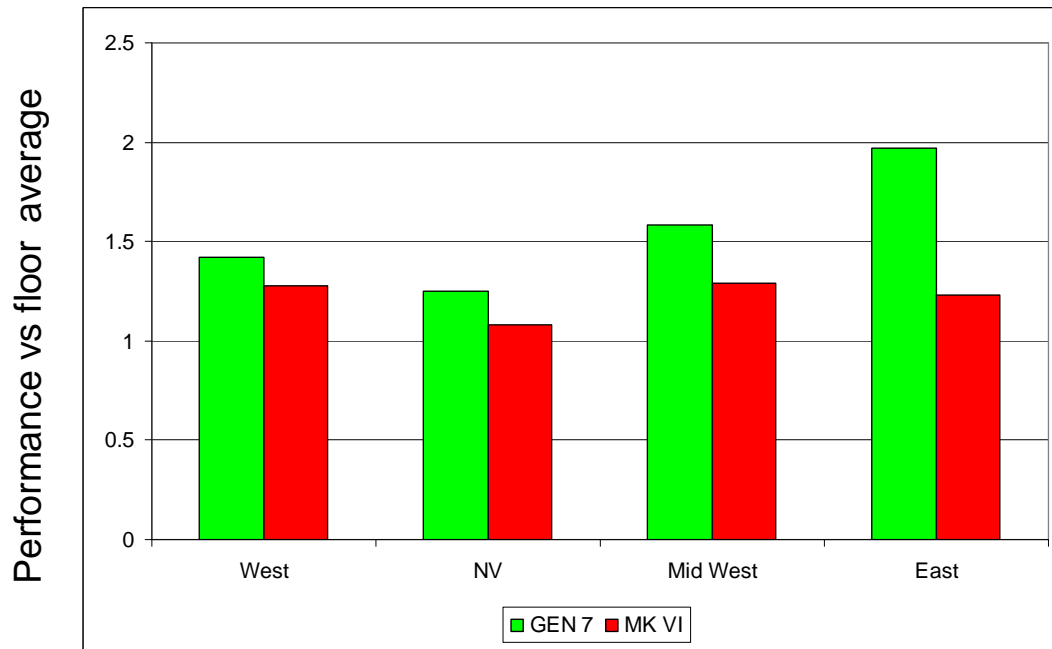
Gen7™ Quarterly Game Approvals



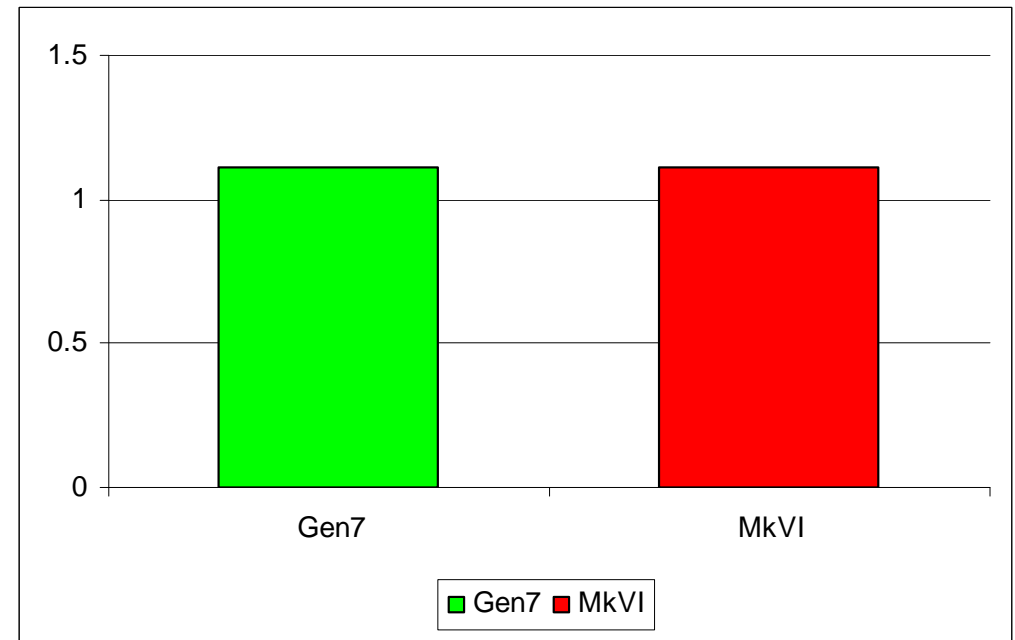
- Native games approvals lifted during Q3 and Q4 which also results in more new games for sale from start of 2009

Viridian™ Gen7™ Performance

North America



Australia



- In North America, Viridian games are outperforming the older platform games and delivering up to nearly two times floor average, while in Australia they are holding at similar levels to MkVI

Game Releases



Aus / USA
Jaws; Hit the Heights



USA Only
Viridian RFX Stepper; Sopranos Video; Mega Millioniser

Jamie Odell
Chief Executive Officer and
Managing Director Elect

Questions