

ARISTOCRAT LEISURE LIMITED

A.B.N. 44 002 818 368

APPENDIX 4D

Half-Year Report

Half-year ended: 30 June 2009

Previous corresponding period: 30 June 2008

Results for announcement to the market

				June 2009 \$'000
Statutory results				
Revenue from ordinary activities	down	-5.3%	to	441,686
Loss from ordinary activities after tax	down	-146.4%	to	(33,140)
Loss for the period attributable to members	down	-147.4%	to	(33,377)
Earnings before interest and tax	down	-112.7%	to	(13,003)
Operating cash flow	up	9.6%	to	70,670
Non-statutory measure				
Normalised profit before tax	down	-38.3%	to	59,649
Normalised profit after tax	down	-38.1%	to	44,155
Normalised EPS (fully diluted)	down	-40.1%	to	9.1c

Dividends

	Amount per security	Franked amount per security	Record date for determining entitlements
Current year – 2009:			
- Interim dividend	4.5c	4.5c	8 September 2009
Previous year – 2008:			
- Interim dividend	14.0c	14.0c	9 September 2008
- Final dividend	10.0c	10.0c	6 March 2009
- Supplementary unfranked dividend	10.0c	0	10 June 2008
- Supplementary unfranked dividend	2.0c	0	4 December 2008

Dividend Reinvestment Plan (DRP)

The directors have determined that the Aristocrat Leisure Limited Dividend Reinvestment Plan will remain active in respect of the 2009 interim dividend (for shareholders resident in Australia and New Zealand). The DRP participants will be issued shares which will rank equally with existing shares on issue. In accordance with the DRP rules, the DRP issue price will be calculated by reference to the arithmetic average of the daily VWAPs over a period of five days commencing on 9 September 2009. No discount is applicable, however the number of ordinary shares DRP participants will receive will be rounded up to the nearest cent.

Any shareholder who wishes to participate in the DRP or to change their current application in the DRP must lodge an application or variation notice on or before 5.00pm on 8 September 2009 to the Company's share registry, Registries Limited.

Net tangible assets

	June 2009	June 2008
Net tangible assets per security	\$ 0.35	\$ 0.06

For further explanation of the above figures please refer to the Director's report, media release and market presentations. Other financial information required by the Appendix 4D is contained in the financial statements.

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financial statements for the half-year ended 30 June 2009

These financial statements do not include all the notes of the type normally included in an annual financial report. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2008 and any public announcements made by Aristocrat Leisure Limited during the reporting period and up to the date of these financial statements, in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Aristocrat Leisure Limited ABN 44 002 818 368

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These financial statements do not include all the notes of the type normally included in an annual financial report. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2008 and any public announcements made by Aristocrat Leisure Limited during the reporting period and up to the date of these financial statements, in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Consolidated statement of comprehensive income

for the half-year ended 30 June 2009

	Notes	Half-year	
		2009 \$'000	2008 \$'000
Revenue from operating activities	4	441,686	466,345
Cost of revenue from operating activities		(209,943)	(210,762)
Gross profit		231,743	255,583
Other revenue and other income	4	15,783	7,592
Research and development costs		(59,849)	(57,421)
Sales and marketing costs		(44,034)	(52,776)
General and administration costs		(152,986)	(48,233)
Finance costs		(11,643)	(8,693)
Share of net (losses) / profits of jointly controlled entity		(1,984)	608
(Loss)/profit from ordinary activities before income tax expense		(22,970)	96,660
Income tax expense		(10,170)	(25,283)
(Loss)/profit from ordinary activities after income tax expense		(33,140)	71,377
Other comprehensive income			
Exchange difference on translation of foreign operations		(43,925)	(15,833)
Changes in fair value of available-for-sale financial assets		-	(8,998)
Other comprehensive income		(43,925)	(24,831)
Total comprehensive income for the half year		(77,065)	46,546
(Loss)/profit is attributable to:			
Members of Aristocrat Leisure Limited		(33,377)	70,395
Minority interest		237	982
		(33,140)	71,377
Total comprehensive income is attributable to:			
Members of Aristocrat Leisure Limited		(77,302)	45,564
Minority interest		237	982
		(77,065)	46,546
Earnings per share for profit attributable to the ordinary equity holders of the Company		Cents	Cents
Basic earnings per share	8	(7.0)	15.2
Diluted earnings per share	8	(7.0)	15.2

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Non-statutory measure:

Normalised profit (as explained in Note 2) is presented below to assist users of the financial statements to understand Aristocrat's business results and reconciles with reported results as follows:

	Before Tax		After Tax	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Normalised profit	59,649	96,660	44,155	71,377
Significant items of income/(expense):				
Property sales	8,827	-	8,827	-
Impairment of multi-terminal gaming businesses	(83,106)	-	(79,887)	-
Intellectual property settlement	(4,314)	-	(3,256)	-
Restructuring costs	(4,026)	-	(2,979)	-
Reported (loss)/profit	(22,970)	96,660	(33,140)	71,377

Consolidated statement of financial position

as at 30 June 2009

	30 June 2009 \$'000	31 December 2008 \$'000
CURRENT ASSETS		
Cash and cash equivalents	64,147	106,243
Trade receivables	212,630	294,671
Inventories	77,280	95,813
Financial assets	10,201	11,674
Other assets	3,747	8,788
Tax assets	-	9,887
	368,005	527,076
Non-current assets classified as held for sale	-	14,387
Total current assets	368,005	541,463
NON-CURRENT ASSETS		
Trade receivables	23,810	16,579
Financial assets	23,049	104,079
Property, plant and equipment	132,668	150,776
Deferred tax assets	45,496	49,054
Intangible assets	131,061	154,420
Total non-current assets	356,084	474,908
Total assets	724,089	1,016,371
CURRENT LIABILITIES		
Trade and other payables	129,440	234,472
Borrowings	15,432	150,000
Current tax liabilities	5,008	-
Provisions	15,390	30,617
Other liabilities	41,780	23,822
Total current liabilities	207,050	438,911
NON-CURRENT LIABILITIES		
Trade and other payables	194	275
Borrowings	160,217	332,644
Provisions	20,803	25,121
Other liabilities	18,704	26,991
Total non-current liabilities	199,918	385,031
Total liabilities	406,968	823,942
Net assets	317,121	192,429
EQUITY		
Contributed equity	179,942	(67,298)
Reserves	(71,044)	(28,762)
Retained earnings	209,582	288,505
Parent entity interest	318,480	192,445
Minority interest	(1,359)	(16)
Total equity	317,121	192,429

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

for the half-year ended 30 June 2009

	Half-year	
	2009	2008
	\$'000	\$'000
Total equity at the beginning of the half-year	192,429	320,801
Net movement in foreign currency translation reserve	(43,925)	(15,833)
Changes in fair value of available-for-sale financial assets	-	(8,998)
Net income recognised directly in equity	(43,925)	(24,831)
(Loss)/profit for the half-year	(33,140)	71,377
Total comprehensive income for the half-year	(77,065)	46,546
Transactions with equity holders in their capacity as equity holders		
Shares bought back on-market and cancelled (including transaction costs)	-	(64,610)
Issues of ordinary shares as re-investment of unrepresented dividend cheques	-	27
Shares issued under dividend reinvestment plan (excluding transaction costs)	9,194	-
Shares issued under capital raising (including transaction costs)	236,657	-
Tax credit recognised directly in equity	1,389	-
	247,240	(64,583)
Net movement in share-based payments reserve	267	167
Net movement in share-based payments trust reserve	1,363	1,943
Equity dividends	(45,533)	(160,838)
Dividend paid to minority shareholder	(1,642)	(1,410)
Net movement in reserves attributable to minority interest	62	(389)
	201,757	(225,110)
Total equity at the end of the half-year	317,121	142,237
Total recognised income and expense for the half-year is attributable to:		
Members of Aristocrat Leisure Limited	(77,364)	45,953
Minority interest	299	593
	(77,065)	46,546

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

for the half-year ended 30 June 2009

	Half-year	
	2009	2008
Note	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers (inclusive of goods and services tax)	564,791	569,983
Payment to suppliers and employees (inclusive of goods and services tax)	(485,995)	(465,298)
	78,796	104,685
Other income	1,348	2,637
Interest received	1,722	3,853
Finance costs	(11,490)	(9,521)
Income taxes refunded / (paid)	294	(37,192)
Net cash inflow from operating activities	70,670	64,462
Cash flows from investing activities		
Payment for property, plant and equipment	(34,053)	(16,144)
Payment for intangibles	(1,734)	(1,603)
Repayment from non-related party	1,297	1,206
Proceeds from sale of property, plant and equipment	22,230	11,666
Net cash outflow from investing activities	(12,260)	(4,875)
Cash flows from financing activities		
Proceeds from issue and exercise of options under the Employee Share Option Plan	-	657
Proceeds from issue of shares (inclusive of transaction costs)	236,657	-
Payment for shares bought back	-	(64,610)
Proceeds from borrowings	-	181,000
Repayment of borrowings	(279,568)	-
Dividends paid	(45,401)	(160,046)
Dividend paid to minority shareholder	(1,642)	(1,410)
Net cash outflow from financing activities	(89,954)	(44,409)
Net (decrease) / increase in cash and cash equivalents held	(31,544)	15,178
Cash and cash equivalents at the beginning of the half-year	106,243	80,618
Effects of exchange rate changes on cash and cash equivalents	(10,552)	(4,046)
Cash and cash equivalents at the end of the half-year	64,147	91,750

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

for the half-year ended 30 June 2009

Note 1. Basis of preparation of half-year report

This general purpose financial report for the interim half-year reporting period ended 30 June 2009 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this financial report is to be read in conjunction with the annual report for the year ended 31 December 2008 and any public announcements made by Aristocrat Leisure Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Note 2. Significant accounting policies

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except as set out below:

Segment reporting

The Group has applied AASB 8 *Operating Segments* from 1 January 2009. AASB 8 requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes.

Significant items and normalised profit

To assist users of the financial statements in understanding Aristocrat's business results, Aristocrat now discloses Normalised Profit (before and after tax) as a footnote to its Statement of Comprehensive Income.

Normalised profit (before and after tax) is statutory profit (before and after tax), excluding the impact of Significant items. Significant items are items of income or expense which are, either individually or in aggregate, material to Aristocrat and:

- outside the ordinary course of business; or
- part of the ordinary activities of the business but unusual due to their size and nature.

Note 3. Segment information

Description of Segments

Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of Directors and the Executive Leadership Team, who have determined operating segments based on a geographical perspective and have identified the following reportable segments:

- North America;
- Australia;
- Japan; and
- Rest of world.

All operating segments undertake activities of development, assembly, sale, distribution and service of gaming machines and systems.

Segment accounting policies are consistent with those of the consolidated financial statements. Segment result is measured on the basis of segment profit before tax, research and development expenditure, charges for licence fees and advanced pricing agreements, and impairment of intangibles and other non-trading assets.

Segment revenues are allocated based on the country in which the customer is located.

Sales between segments are carried out at arm's length and eliminate on consolidation.

Segment assets and liabilities are measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset or liability.

Since the presentation of segment information in the 2008 Annual Report, South America and New Zealand have been included in 'Rest of world' as they do not meet the quantitative thresholds of reportable segments. In addition, head office recharges previously included in Segment Result are no longer included.

Reportable segments are reconciled to the financial statements on the following two pages.

Notes to the consolidated financial statements

for the half-year ended 30 June 2009

Note 3. Segment information

Half-year 2009	Australia \$'000	North America \$'000	Japan \$'000	Rest of world \$'000	Consolidated \$'000
Revenues from external customers	89,539	227,703	21,119	103,325	441,686
Consolidated revenue					441,686
Segment result	22,370	84,789	(5,310)	30,736	132,585
Interest revenue					1,676
Interest expense					(11,643)
Research and development expenditure					(59,849)
Foreign exchange					3,362
Share of loss in joint venture					(1,984)
Impairment of multi-terminal gaming businesses					(83,106)
Unallocated amounts: corporate costs					(4,011)
Consolidated loss before tax					(22,970)
Segment assets	390,412	260,792	130,890	184,219	966,313
Investments in equity accounted investees					10,000
Elimination of investments in subsidiaries					(248,022)
Other unallocated amounts					(4,202)
Consolidated assets					724,089
Segment liabilities	87,795	249,143	39,618	30,412	406,968
Consolidated liabilities					406,968
Depreciation and amortisation	6,115	12,041	719	5,050	23,925
Consolidated depreciation and amortisation					23,925
Additions to long-lived assets	8,618	14,328	121	1,576	24,643
Consolidated additions to long-lived assets					24,643

Notes to the consolidated financial statements

for the half-year ended 30 June 2009

Note 3. Segment information

Half-year 2008	Australia \$'000	North America \$'000	Japan \$'000	Rest of world \$'000	Consolidated \$'000
Revenues from external customers	90,708	194,693	93,689	87,255	466,345
Consolidated revenue					466,345
Segment result	25,248	78,664	26,578	29,388	159,878
Interest revenue					2,665
Interest expense					(8,693)
Research and development expenditure					(57,421)
Foreign exchange					1,801
Share of profit in joint venture					608
Unallocated amounts: corporate costs					(2,178)
Consolidated profit before tax					96,660
Segment assets	457,628	213,857	100,018	164,132	935,635
Investments in equity accounted investees					67,790
Elimination of investments in subsidiaries					(246,047)
Other unallocated amounts					2,416
Consolidated assets					759,794
Segment liabilities	347,868	211,013	34,068	24,608	617,557
Consolidated liabilities					617,557
Depreciation and amortisation	4,696	8,639	847	4,200	18,382
Consolidated depreciation and amortisation					18,382
Additions to long-lived assets	5,330	10,451	611	1,357	17,749
Consolidated additions to long-lived assets					17,749

Notes to the consolidated financial statements

for the half-year ended 30 June 2009

	Half-year	
	2009	2008
	\$'000	\$'000
Note 4. Profit from ordinary activities		
(a) Revenue from operating activities		
Sale of goods	304,079	352,123
Gaming operations and services	137,607	114,222
	441,686	466,345
(b) Other revenue and other income		
Interest	1,676	2,665
Other revenue	1,676	2,665
Foreign currency translation gains	3,834	2,290
Gain on disposal of property, plant and equipment	8,925	-
Other income	1,348	2,637
Other income	14,107	4,927
	15,783	7,592
(c) Expenses		
(i) Depreciation and amortisation		
Depreciation and amortisation of property, plant and equipment		
- Buildings	394	242
- Plant and equipment	18,678	14,156
- Leasehold improvements	1,558	1,217
Total depreciation and amortisation of property, plant and equipment	20,630	15,615
Amortisation of intangible assets		
- Computer technology	3,295	2,767
Total amortisation of intangible assets	3,295	2,767
	23,925	18,382
(ii) Employee benefits expense		
Salaries and wages	104,520	91,751
Superannuation costs	4,293	4,159
Post-employment benefits other than superannuation	2,242	2,410
Expense of share-based payments	1,805	2,280
Employee benefits expense	112,860	100,600
(iii) Other significant items		
Other charges / (credits) against assets		
- Bad and doubtful debts - trade debtors	1,090	(176)
- Write down of inventories to net realisable value	10,207	2,644
Legal costs	8,198	1,997
Legal settlement	4,314	-
Impairment of multi-terminal gaming businesses	83,106	-
(iv) Rental expense relating to operating leases		
- Minimum lease payments	9,869	6,083
(d) Net foreign exchange gain / (loss)		
Foreign exchange gain	3,834	2,290
Foreign exchange loss	(472)	(466)
Net foreign exchange gain	3,362	1,824

Notes to the consolidated financial statements

for the half-year ended 30 June 2009

	Half-year	
	2009	2008
	\$'000	\$'000

Note 5. Dividends

Dividends provided for or paid during the half-year:

- 2008 - 10.0 cents, franked, per fully paid share, paid on 31 March 2009	45,533	-
- 2008 - 2.0 cents, unfranked, per fully paid share, paid on 5 January 2009	9,062	-
- 2008 - 10.0 cents, unfranked, per fully paid share, paid on 1 July 2008	-	45,834
- 2007 - 10.0 cents, unfranked, per fully paid share, paid on 7 January 2008	-	46,067
- 2007 - 25.0 cents, franked, per fully paid share, paid on 31 March 2008	-	115,004
Total dividends provided for or paid during the half-year	54,595	206,905

Dividends paid were satisfied as follows:

Paid in cash	45,401	146,305
Paid through the dividend reinvestment plan	9,194	13,741
Total dividends paid during the half-year	54,595	160,046

Dividends not recognised at the end of the period

Since the end of the half-year the directors have recommended the payment of an interim dividend of 4.5 cents (2008 - 14.0 cents) per fully paid ordinary share, fully franked (2008: fully franked). The aggregate amount of the proposed interim dividend expected to be paid on 29 September 2009 out of retained earnings at 30 June 2009, but not recognised as a liability at the end of the half-year is:

23,948 63,836

Dividend Reinvestment Plan (DRP)

The directors have determined that the Aristocrat Leisure Limited Dividend Reinvestment Plan will remain active in respect of the 2009 interim dividend (for shareholders resident in Australia and New Zealand). The DRP participants will be issued shares which will rank equally with existing shares on issue. In accordance with the DRP rules, the DRP issue price will be calculated by reference to the arithmetic average of the daily VWAPs over a period of five days commencing on 9 September 2009. No discount is applicable, however the number of ordinary shares DRP participants will receive will be rounded up to the nearest cent.

Any shareholder who wishes to participate in the DRP or to change their current application in the DRP must lodge an application or variation notice on or before 5.00pm on 8 September 2009 to the Company's share registry, Registries Limited.

	Half-year		Half-year	
	2009	2008	2009	2008
	Shares	Shares	\$'000	\$'000

Note 6. Equity securities issued and repurchased

Issues of ordinary shares during the half-year

Shares issued as re-investment of unrepresented dividend cheques	-	3,030	-	27
Shares issued under dividend reinvestment plan (excluding transaction costs)	2,580,850	-	9,194	-
Shares issued under capital raising (excluding transaction costs)	74,259,350	-	241,340	-
Less:				
Transaction cost arising on share issue	-	-	(4,683)	-
Tax credit recognised directly in equity	-	-	1,389	-

Repurchase of ordinary shares during the half-year

Share buy back (including transaction costs)	-	(8,326,991)	-	(64,610)
Total equity securities issued and repurchased during the half-year	76,840,200	(8,323,961)	247,240	(64,583)

Notes to the consolidated financial statements

for the half-year ended 30 June 2009

Note 7. Events occurring after reporting date

There has not arisen in the interval between the end of the half-year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in future financial reporting periods.

	Half-year 2009 Cents	2008 Cents
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Note 8. Earnings per share

Basic earnings per share	(7.0)	15.2
Diluted earnings per share	(7.0)	15.2

	Half-year 2009 Number	2008 Number
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Weighted average number of ordinary shares used as the denominator

Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	480,228,229	462,472,793
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Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	480,228,229	462,472,793
Effect of share options	-	216,702
Effect of Performance Share Rights	903,116	969,213

Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	481,131,345	463,658,708
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	Half-year 2009 \$'000	2008 \$'000
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Reconciliation of earnings used in calculating diluted earnings per share

Net (loss)/profit	(33,377)	70,395
Earnings used in calculating diluted earnings per share	(33,377)	70,395

Notes to the consolidated financial statements

for the half-year ended 30 June 2009

Note 8. Earnings per share (continued)

Information concerning the classification of securities

(a) Options

Options granted to employees under the Employee Share Option Plan are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share. The options have not been included in the determination of basic earnings per share.

(b) Performance Share Rights

Rights granted to employees under the Performance Share Plan are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share. The rights have not been included in the determination of basic earnings per share.

Included within the weighted average number of potential ordinary shares related to performance share rights are 804,748 share rights (2008: 93,025 share rights) that had lapsed during the half-year.

(c) Share-based payments trust

Shares purchased on-market through the Aristocrat Employee Equity Plan Trust have been treated as shares bought back and cancelled for the purpose of the calculation of the weighted average number of ordinary shares used as the denominator in calculating basic earnings per share.

Shares issued through the Aristocrat Employee Equity Plan Trust on the exercise of options have been treated as shares issued from capital for the purpose of the calculation of the weighted average number of ordinary shares used as the denominator in calculating basic earnings per share.

Note 9. Contingent liabilities

The Company and the Group have contingent liabilities at 30 June 2009 in respect of the following matters:

- (i) a contingent liability may exist in relation to certain guarantees and indemnities given in the ordinary course of business by the Company and or its controlled entities;
- (ii) controlled entities within the Group become parties to various legal actions in the ordinary course of business and from time to time. The Directors consider that any liabilities arising from this type of legal action are not likely to have a material adverse effect on the Group;
- (iii) under the terms of existing Senior Executive service contracts, termination benefits may be required to be paid by the Company or a controlled entity. The amounts (if any) depend upon the specific circumstances of the case and the relevant terms of those contracts;
- (iv) The Company has been engaged in long running litigation since 2004 relating to USD130 million of 5% convertible subordinated bonds ('bonds') which were due 31 May 2006.

The bonds were issued by the Company in 2001 pursuant to an indenture agreement ('Indenture').

On 20 December 2004 the Company called for the redemption of the bonds in a notice which purported to terminate the bondholders' conversion rights under the Indenture. On the same day, the Company commenced legal action in the United States District Court for the Southern District of New York (the 'District Court'), seeking a declaration that, among other things, the call for redemption of the bonds terminated the rights of the bondholders to convert.

Various bondholders subsequently intervened in the case. After the Company's actions on 20 December 2004, the bondholders submitted conversion notices in an effort to convert their bonds into Aristocrat shares.

In 2005 the District Court ruled that the Company was in breach of the Indenture finding that the Company's 20 December 2004 communication did not constitute an effective call for redemption and the bondholders' conversion rights were not terminated.

In further rulings in 2006 the District Court determined, among other things, that monetary damages would be sufficient to compensate bondholders' for the Company's purported breach of the Indenture.

Notes to the consolidated financial statements

for the half-year ended 30 June 2009

Note 9. Contingent liabilities (continued)

(iv) (continued) In April 2009, the District Court issued a further Opinion which outlined the breach date for calculating general damages against the Company for breach of the Indenture. The relevant breach date is the conversion date on which bondholders served conversion notices on the trustee. The Court also determined that statutory interest of 9% applies to damages which stems from its finding that the Company breached the Indenture.

In addition, the District Court ruled that there should be a trial of fact to determine what, if any, consequential damages should be payable by the Company to bondholders as a result of alleged losses suffered by them as a result of short positions in Aristocrat stock the bondholders held open following the relevant breach date. The trial will be held in October 2009.

The Company may appeal the District Court's 2005 Order and certain aspects of the District Court's 30 May 2006 and 27 April 2009 Opinions upon entry of final judgement in this case.

As at the date of this report, it is not possible to determine when a final judgement will be entered or when an appeal may take place. If the Company chooses to appeal any aspect of the case it is likely that it will be required to provide a surety to the Court;

(v) under the terms of a severance agreement with a former Executive Director, a controlled entity is obliged to fund certain costs of a motor vehicle provided to the former Executive Director for an indefinite period; and

(vi) on adoption of tax consolidation legislation, the entities in the tax consolidated group entered into a tax sharing agreement which, in the opinion of the Directors, limits the joint and several liability of the wholly-owned entities in the case of a default by the head entity, Aristocrat Leisure Limited.

Directors' declaration

for the half-year ended 30 June 2009

In the directors' opinion:

- (a) the financial statements and notes set out on pages 3 to 14 are in accordance with the *Corporations Act 2001* including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2009 and of its performance, for the half-year ended on that date; and

- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due and payable.

This declaration is made in accordance with a resolution of the directors.



DJ Simpson
Chairman

Sydney
Date: 25 August 2009

Independent auditor's review report to the members of Aristocrat Leisure Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial statements of Aristocrat Leisure Limited, which comprise the statement of financial position as at 30 June 2009, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, other selected explanatory notes and the directors' declaration for the Aristocrat Leisure Limited Group (the consolidated entity). The consolidated entity comprises both Aristocrat Leisure Limited (the company) and the entities it controlled during that half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2009 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Aristocrat Leisure Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. It also includes reading the other information included with the financial report to determine whether it contains any material inconsistencies with the financial report. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by directors or

**Independent auditor's review report to the members of
Aristocrat Leisure Limited (continued)**

management.

Matters relating to the electronic presentation of the reviewed financial report

This review report relates to the financial report of the Company for the half-year ended 30 June 2009 included on Aristocrat Leisure Limited's web site. The company's directors are responsible for the integrity of the Aristocrat Leisure Limited web site. We have not been engaged to report on the integrity of this web site. The review report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report presented on this web site.

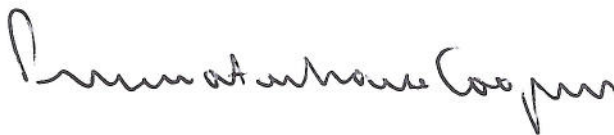
Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Aristocrat Leisure Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2009 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.



PricewaterhouseCoopers



R L Gavin
Partner

Sydney
25 August 2009