ARISTOCRAT LEISURE LIMITED ANNOUNCES 2004 FIRST HALF YEAR RESULTS, FULL YEAR OUTLOOK AND SHARE BUY BACK

The Board of Aristocrat Leisure Limited (ASX:ALL) today announced the Company's first half year results for the period ended 30 June 2004.

Key points include:

- Total revenue for the period of $525.6 million, a 29.8% increase on the pre one-off adjustments result of the corresponding period last year;
- Profit after tax of $63.3 million, a significant turnaround on the post one-off adjustments $32.9 million loss recorded for the previous corresponding period and a record half result for the Company;
- Improvement primarily driven by strong growth in Aristocrat's international businesses which contributed 75.3% of segment revenue, up from 63.2% in the prior corresponding period;
- Operational cash flow up 173% to $90.2million;
- Net debt at period end of $10.9 million compared to $257.2 million at the same time last year;
- An interim dividend of 4 cents per share, unfranked, payable 22 September 2004.

Mr Paul Oneile, Chief Executive Officer, said that the results demonstrated the underlying strength of the Company and that the strategies adopted during the past year had positioned the Company for sustainable growth.

"This first half result represents a record for the Company, exceeding the previous record half result achieved in 2001 by 15.6%. It demonstrates that we have the right strategies in place to ensure Aristocrat remains one of the world's leading providers of gaming solutions. We are now better positioned than ever to take advantage of the opportunities that present themselves in the expanding global gaming market."

Operating sector key points include:

- In Australia, segment contribution profit increased by 4.0% compared to the first half 2003 (pre one-off adjustments) despite a 10.2% decline in revenue to $129.1 million;

- Revenue from North America improved by 24.6% to $149.9 million and segment contribution pre prior year one-off adjustments increased by 422% to $35.5 million. This improvement was primarily driven by an increase of over 300% in recurring revenue and a 58.5% improvement in game and platform sales. Recurring revenue contributed 28% of total North American revenue in the first half;

- A strong result from the Japanese business with revenue improving 81.2% to $173.4 million and segment contribution profit increasing by 126.6%. 43,152 games were sold during the six month period;

- Strong revenue and profit growth in all other international businesses, except New Zealand where a difficult regulatory environment resulted in a disappointing first half result.

Results compared to the same period last year:

	H1 2004 $ Millions	**H1 2003* $ Millions**	**Variance**
Total Revenue	525.6	404.8	+29.8%
Earnings Before Interest, Tax, Depreciation and Amortisation	123.9	39.5	+213.7%
Earnings Before Interest and Tax	105.9	20.0	+429.5%
Profit before Tax	102.1	11.8	+765.3%
Profit after Tax	63.3	4.3	+1,372%
Operating Cash Flow	90.2	33.0	+173.3%
Closing Net Debt	10.9	257.2	-95.8%

* Pre one-off adjustments

DIVIDEND

The Board has approved a dividend in respect of the six months ended 30 June 2004 of 4 cents per share. This dividend will be unfranked and will be paid on 22 September 2004. The Dividend Reinvestment Plan will not operate in respect of this dividend.

FULL YEAR OUTLOOK

On the basis of the first half profit for 2004 and current trading momentum, the Company now expects to post a profit after tax for the year ended 31 December 2004 in the range of $115 million to $135 million.

This outlook is conditional on a number of operational variables including:

- The volatility of the Japanese market and the uptake of new products to be released into that market;
- Product approvals in a number of jurisdictions;
- Maintenance of current product performance and improving systems sales in the North American market.

SHARE BUY BACK

As a result of the strong operating result, outlook and healthy balance sheet the Company today announced an on market share buy back of up to $100 million.

Chairman, Mr David Simpson said when announcing the buy back:
"Aristocrat has very strong cash flows and significant cash on hand. Coupled with its undrawn bank facilities, the Company has ample capacity to fund the buy back, the operational demands of the business and to underwrite any strategic opportunities that may arise."

Sydney, Australia, 24 August 2004

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