



Media Release

Aristocrat appoints Distributor for Peru, Chile, Ecuador; revises existing agreements.

Sydney, 18 November: Aristocrat Leisure Limited (ASX: ALL) announces it has appointed Australis Corporation SAC (an affiliate of Corporacion Meier SAC) as its exclusive distributor in Peru. Australis Corporation has also been appointed a non-exclusive distributor for Chile and, subject to regulatory considerations, Ecuador.

“Corporacion Meier is a key existing customer and this represents an important step in implementing Aristocrat’s new distributor-based business structure in South America,” said Aristocrat Technologies Inc President, Gavin Isaacs.

Aristocrat has also clarified its own and Corporacion Meier’s rights and obligations under prior contractual arrangements, including entering into a revised arrangement for an existing transaction with Corporacion Meier. In addition a further supply arrangement has been entered into which provides for Corporacion Meier to purchase up to 3,000 additional rebuild units on specified terms and conditions . These include a 30% up-front cash deposit, with the balance to be paid over 12 months (provided that the aggregate amount outstanding is not in excess of US\$1 million), or over 24 months (provided it is secured by an irrevocable standby letter of credit) .

Sales of the additional units are expected to commence in 2004 and are expected to continue for up to 2 years. In accordance with the Company’s revenue recognition guidelines, sales under this facility will be recognised as cash is received.

The Company has determined that it is appropriate to apply its revised revenue recognition guidelines to the revised agreements. Accordingly, US\$11.5 million (A\$16.4 million) of previously recognised revenue has been transferred to deferred revenue. One-off costs incurred in concluding the revised agreements total US\$5.4 million (A\$8.1 million), approximately one-third of which was included in one-off items announced during the first half.

“We believe this is a prudent and appropriate step to take and brings these contractual arrangements in line with our revised revenue recognition guidelines,” said Simon Kelly, Chief Financial Officer.

Consistent with prior announcements, Aristocrat will primarily focus on its core North American markets, but will continue to take advantage of opportunities in South America where such opportunities present themselves. Aristocrat believes this allows for further development of existing key customer relationships within strict terms and conditions that provide a defined level of exposure under each agreement at all times.

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