Ainsworth Game Technology Limited
ABN 37 068 516 665
and its controlled entities

APPENDIX 4D

Half Year Report

Half Year Ended: 31 December 2011

Previous corresponding period: 31 December 2010

Results for announcement to the market

	Up / Down	% Change		Half Year ended 31/12/11 A$'000
Revenue	Up	56%	to	68,318
Profit before tax	Up	453%	to	18,788
Profit for the period attributable to equity holders of the parent	Up	1,110%	to	40,478

Dividends (distributions)	Amount per security	Franked amount per security
Final dividend	-¢	-¢
Interim dividend	-¢	-¢
Previous corresponding period	-¢	-¢

Record date for determining entitlements to the dividend	Not applicable

Brief explanation of any of the figures reported above and short details of any bonus or cash issue or other item(s) of importance not previously released to the market:

Refer "Review of Operations" section within the attached Directors' Report.

NTA backing	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	$0.23	$0.02

Ainsworth Game Technology Limited

ABN 37 068 516 665

31 DECEMBER 2011

INTERIM FINANCIAL REPORT

Contents

Ainsworth Game Technology Limited
31 December 2011 Interim Financial Report

Directors' report

The directors of Ainsworth Game Technology Limited (the "Company") present their report together with the consolidated financial report for the six month ended 31 December 2011 and the review report thereon.

Directors

The directors of the company at any time during or since the end of the interim period are:

Name	**Period of directorship**
Executive	
Mr Leonard H Ainsworth *Executive Chairman*	Director since 1995 (Executive Chairman since 2003)
Mr Daniel Gladstone *Executive Director and Chief Executive Officer*	Director since 2010
Non-executive	
Mr Stewart L Wallis AO *Independent Non-Executive Director*	Director since 2002
Mr Graeme Campbell *Independent Non-Executive Director*	Director since 2007
Mr Michael Yates *Independent Non-Executive Director*	Director since 2009

Review of operations

Operating profit

The profit after income tax for the six months ended 31 December 2011 was $40.5 million, compared to a profit of $3.3 million in the corresponding period in 2010. This result included further recognition of deferred tax assets of $21.8 million in the current period. Deferred tax assets totalling $30.3 million have now been fully recognised at the reporting date following the initial recognition of $8.5 million in 30 June 2011.

The profit before income tax for the six months ended 31 December 2011 was $18.8 million compared to $3.3 million for the prior corresponding period in 2010. This result was 27% above the profit reported for the twelve months ended 30 June 2011.

Continued leading product performance, increased gross margins on new and premium products and continued cost control measures together with stronger domestic and international revenue contributed to the improved trading performance in the current period. Investment in research and development undertaken in the current and past periods is expected to assist the ongoing release of new innovative product initiatives leveraging off the commercialisation of the A560 product family. The progression of product approvals in the Americas and selected international markets is expected to position the Company for further revenue growth.

Revenue

Revenue for the period under review was $68.3 million, compared to $43.9 million for the prior corresponding period in 2010, an increase of 56%.

Domestic revenue contributed $51.5 million (75% of total revenue) compared to $35.3 million in the previous corresponding period, an increase of 46%. The increased domestic revenue was achieved as a result of increased market share resulting from leading product performance on the Ambassador SL and A560 gaming products. New South Wales and Queensland contributed 85% of total domestic revenue as a result of continued leading product performance on the A560 product family in these markets.

Directors' report (continued)

Review of operations (continued)

Revenue (continued)

International revenue was $16.8 million compared to $8.5 million in the prior corresponding period in 2010, an increase of 98%. The key market of the Americas achieved revenue of $12.4 million, an increase of 85% on the previous corresponding period in 2010 and contributed to 74% of total international revenue. Further planned investment to expand the Group's operations in North America and increase management and technical capabilities will allow the Group to grow its revenue in coming periods.

Commencement of product shipments within Las Vegas are expected in the second half of FY12 following the completion of successful field trials within this market.

The challenging economic conditions within international markets continue, however leading product performance is providing increased interest for the Group's gaming products and creating revenue opportunities from both established and new customers. A continuing stream of product approvals is resulting in an expanded product range and is expected to create further revenue growth in all market segments.

Operating costs

Cost of sales in the period were $23.1 million compared to $16.5 million in the prior corresponding period in 2010. Gross margins increased from 62% to 66% reflecting increased sales of the Company's premium progressive range of products, production efficiencies and cost reductions. The operational facility in Nevada, from which international product shipments are commencing, is expected to reduce production costs and associated lead times for supply of products in this market.

Operating costs, excluding cost of sales and financing costs, were $24.1 million compared to $18.6 million in the corresponding period in 2010, an increase of 29%. This increase in operating expenditure was primarily attributable to increased variable selling costs, the expansion within the Americas in order to position the Group for revenue growth and increased expenditure in research and development to ensure continued emphasis on new product initiatives.

Sales, service and marketing expenses increased by 33% compared to the prior corresponding period in 2010. This increase of $2.5 million compared to the previous corresponding period was primarily attributable to increased variable selling costs in line with the increase in revenue and an increase in costs within the Americas in line with growth strategies.

Research and development expenses increased by 12% during the period and represented 10% of revenue compared to 14% in the prior corresponding period in 2010. Investment in research and development is expected to ensure the Company is well positioned to benefit from new technology advancements, which should provide customers with a range of innovative games and an expanded game library for the Company's current and planned range of products.

Administration costs were $7.1 million, an increase of $2.2 million which represented 10% of revenue compared to 11% in the prior corresponding period in 2010.

Net financing costs

Net financing costs were $2.3 million compared to $5.3 million in the corresponding period in 2010, a reduction of $3.0 million. This decrease in financing costs was a result of foreign currency gains of $0.6 million (2010: losses $2.4 million) due to movements in the Australian dollar against the US dollar in the current period.

Directors' report (continued)

Review of operations (continued)

Cashflow
The cash inflow from operations for the current period was $15.4 million compared to $7.0 million in the previous corresponding period in 2010. Continued initiatives to minimise working capital have resulted in a reduction of 8% in inventory holdings at 31 December 2011, compared to 30 June 2011.

Events Subsequent to Reporting Date

The sale and leaseback of the Company's property at 10 Holker Street, Newington was approved by shareholders at a general meeting held on 22 February 2012 and the transaction will be reflected in the 30 June 2012 financial statements. The proceeds from this transaction of $22.3 million will be utilised to reduce debt owing to an entity controlled by a director/shareholder.

There has not arisen in the interval between the end of the half year and the date of this report any other 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 Group, the results of those operations, or the state of affairs of the Group, in future financial years.

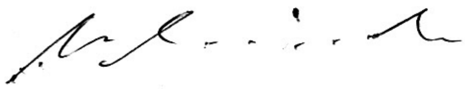
Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 19 and forms part of the directors' report for the six months ended 31 December 2011.

Rounding off

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the condensed consolidated interim financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the directors:



LH Ainsworth
Executive Chairman

Dated at Sydney this 22nd day of February 2012.

Condensed consolidated statement of financial position

In thousands of AUD

	31-Dec-11	30-Jun-11
Current Assets		
Cash and cash equivalents	26,073	15,377
Trade and other receivables	34,225	25,372
Inventories	12,368	13,392
Prepayments	563	573
Assets classified as held for sale	17,701	-
Total current assets	**90,930**	**54,714**
Non-current assets		
Trade and other receivables	15,232	11,724
Deferred tax assets	30,302	8,509
Property, plant and equipment	7,548	23,539
Intangible assets	15,714	14,615
Total non-current assets	**68,796**	**58,387**
Total assets	**159,726**	**113,101**
Current Liabilities		
Trade and other payables	11,542	8,692
Loans and borrowings	12,437	13,726
Employee benefits	6,077	4,432
Provisions	141	171
Total current liabilities	**30,197**	**27,021**
Non-current liabilities		
Loans and borrowings	49,343	46,991
Employee benefits	578	397
Total non-current liabilities	**49,921**	**47,388**
Total liabilities	**80,118**	**74,409**
Net assets	**79,608**	**38,692**
Equity		
Share capital	122,373	122,373
Reserves	12,486	12,048
Accumulated losses	(55,251)	(95,729)
Total equity	**79,608**	**38,692**

The condensed notes on pages 10 to 15 are an integral part of these consolidated interim financial statements.

Condensed consolidated statement of comprehensive income

For the six months ended 31 December 2011

In thousands of AUD

	31-Dec-11	31-Dec-10
Revenue	68,318	43,856
Cost of sales	(23,066)	(16,485)
Gross profit	**45,252**	**27,371**
Other income	36	54
Sales, service and marketing expenses	(9,997)	(7,512)
Research and development expenses	(7,069)	(6,298)
Administrative expenses	(7,111)	(4,873)
Results from operating activities	**21,111**	**8,742**
Finance income	484	439
Finance costs	(2,807)	(5,783)
Net finance costs	**(2,323)**	**(5,344)**
Profit before tax	**18,788**	**3,398**
Tax benefit/(expense)	21,690	(52)
Profit for the period	**40,478**	**3,346**
Other comprehensive income		
Foreign currency translation differences for foreign operations	37	(57)
Total other comprehensive income	37	(57)
Total comprehensive income for the period	**40,515**	**3,289**
Earnings per share		
Basic earnings per share (AUD)	**$0.15**	**$0.01**
Diluted earnings per share (AUD)	**$0.15**	**$0.01**

The condensed notes on pages 10 to 15 are an integral part of these consolidated interim financial statements.

Condensed consolidated statement of changes in equity

For the six months ended 31 December 2011

in thousands of AUD

Attributable to equity holders of the Company

	Issued capital	Equity compensation reserve	Fair value reserve	Translation reserve	Accumulated losses	Total equity
Balance at 1 July 2010	122,373	665	10,764	197	(118,866)	15,133
Total comprehensive income for the period						
Profit for the period	-	-	-	-	3,346	3,346
Other comprehensive income						
Foreign currency translation reserve	-	-	-	(57)	-	(57)
Total other comprehensive income	-	-	-	(57)	-	(57)
Total comprehensive income for the period	-	-	-	(57)	3,346	3,289
Transactions with owners, recorded directly in equity						
Equity component of related party borrowings	-	-	495	-	-	495
Total transactions with owners	-	-	495	-	-	495
Balance at 31 December 2010	**122,373**	**665**	**11,259**	**140**	**(115,520)**	**18,917**
Balance at 1 July 2011	122,373	770	11,287	(9)	(95,729)	38,692
Total comprehensive income for the period						
Profit for the period	-	-	-	-	40,478	40,478
Other comprehensive income						
Foreign currency translation reserve	-	-	-	37	-	37
Total other comprehensive income	-	-	-	37	-	37
Total comprehensive income for the period	-	-	-	37	40,478	40,515
Transactions with owners, recorded directly in equity						
Equity component of related party borrowings	-	-	207	-	-	207
Equity component of re-purchase of convertible note	-	(8)	-	-	-	(8)
Share-based payment transactions	-	202	-	-	-	202
Total transactions with owners	-	194	207	-	-	401
Balance at 31 December 2011	**122,373**	**964**	**11,494**	**28**	**(55,251)**	**79,608**

The condensed notes on pages 10 to15 are an integral part of these consolidated interim financial statements.

Condensed consolidated statement of cash flows

For the six months ended 31 December 2011
In thousands of AUD

	31-Dec-11	31-Dec-10
Cash flows from operating activities		
Cash receipts from customers	63,549	42,669
Cash paid to suppliers and employees	(47,790)	(34,050)
Cash generated from operations	**15,759**	**8,619**
Income taxes paid	(6)	-
Borrowing costs paid	(344)	(1,578)
Net cash from operating activities	**15,409**	**7,041**
Cash flows from investing activities		
Proceeds from sale of equipment	41	7
Interest received	492	578
Acquisitions of property, plant and equipment	(1,956)	(593)
Development expenditure	(2,298)	(2,342)
Acquisition of other intangibles	-	(23)
Net cash used in investing activities	**(3,721)**	**(2,373)**
Cash flows from financing activities		
Re-purchase of convertible notes	(419)	(1,368)
Payment of finance lease liabilities	(611)	(740)
Net cash used in financing activities	**(1,030)**	**(2,108)**
Net increase in cash and cash equivalents	**10,658**	**2,560**
Cash and cash equivalents at 1 July	15,377	6,144
Effect of exchange rate fluctuations on cash held	38	(512)
Cash and cash equivalents at 31 December	**26,073**	**8,192**

The condensed notes on pages 10 to 15 are an integral part of these consolidated interim financial statements.

Notes to the condensed consolidated interim financial statements

1. Reporting entity

Ainsworth Game Technology Limited (the "Company") is a company domiciled in Australia. The condensed consolidated interim financial report of the Company as at and for the six months ended 31 December 2011 comprises the Company and its subsidiaries (together referred to as the "Group"). The Group primarily is involved in the design, development, manufacture, sale and servicing of gaming machines and other related equipment and services.

The consolidated annual financial report of the Group as at and for the year ended 30 June 2011 is available upon request from the Company's registered office at 10 Holker Street, Newington, NSW, 2127 or at www.ainsworth.com.au.

2. Basis of preparation

Statement of compliance

The condensed consolidated interim financial report is a general purpose financial report which has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the Corporations Act 2001, and with IAS34 Interim Financial Reporting.

The condensed consolidated interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the consolidated annual financial report of the Group as at and for the year ended 30 June 2011. Certain comparative amounts have been re-classified to conform with the current period's presentation.

The condensed consolidated interim financial report was approved by the Board of Directors on 22 February 2012.

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with the Class Order, amounts in the consolidated interim financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Estimates

The preparation of the interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2011.

3. Significant accounting policies

The accounting policies applied by the Group in the condensed consolidated interim financial report are the same as those applied by the Group in its consolidated financial report as at and for the year ended 30 June 2011.

4. Financial risk management

Credit risk – trade and other receivables

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 30 June 2011.

Notes to the condensed consolidated interim financial statements

5. Operating segments

For the six months ended 31 December 2011

In thousands of AUD	Australia: NSW	Australia: QLD	Australia: VIC / TAS	Australia: South Aust	Americas: North America	Americas: South America	Asia	New Zealand	Europe / Other	Consolidated
External revenue	27,794	15,952	6,848	948	6,402	5,966	2,424	1,499	485	68,318
Interest revenue	399	-	-	-	4	81	-	-	-	484
Interest expense	(3,388)	(13)	-	(2)	-	-	-	-	-	(3,403)
Depreciation and amortisation	(2,226)	(36)	(4)	(4)	(410)	-	(1)	-	-	(2,681)
Reportable segment profit before tax	6,288	6,500	2,822	178	435	898	956	565	146	18,788

For the six months ended 31 December 2010

In thousands of AUD	Australia: NSW	Australia: QLD	Australia: VIC / TAS	Australia: South Aust	Americas: North America	Americas: South America	Asia	New Zealand	Europe / Other	Consolidated
External revenue	22,756	10,090	1,716	768	3,753	2,924	1,153	152	544	43,856
Interest revenue	122	-	-	-	9	308	-	-	-	439
Interest expense	(3,371)	(9)	-	-	-	-	-	-	-	(3,380)
Depreciation and amortisation	(2,206)	(26)	-	(1)	(24)	-	(1)	-	-	(2,258)
Reportable segment profit before tax	2,235	3,233	569	169	(786)	(2,583)	265	33	263	3,398

Notes to the condensed consolidated interim financial statements

6. Write-down of inventory

During the six months ended 31 December 2011 the write-down of inventories to net realisable value amounted to $222 thousand (six months ended 31 December 2010: $914 thousand). The write-down is included in cost of sales in the condensed consolidated statement of comprehensive income.

7. Income tax benefit

As at 31 December 2011 deferred tax assets recognised were $30,302 thousand. Previously unrecognised tax losses and deductible temporary differences of $21,793 thousand were recognised at 31 December 2011 (30 June 2011: $8,509 thousand). Management revised its estimates following the improved financial performance in the current period and its expectation of continued improvement in future periods. Management consider it probable that future taxable profits will be available against which the deferred tax assets can be utilised.

8. Property, plant and equipment

Acquisitions and disposals

During the six months ended 31 December 2011, the Group acquired assets with a cost of $2,198 thousand (six months ended 31 December 2010: $1,172 thousand) and recorded assets associated with gaming products under rental and participation arrangements with a cost of $1,144 thousand (six months ended 31 December 2010: $456 thousand).

Assets with a carrying amount of $17,701 thousand were transferred to current assets – Assets classified as held for sale (see note 12) (six months ended 31 December 2010: nil).

Other assets with a carrying amount of $46 thousand were disposed of during the six months ended 31 December 2011 (six months ended 31 December 2010: $nil thousand) resulting in a loss on disposal of $5 thousand (six months ended 31 December 2010: gain of $7 thousand), which is included in other income in the condensed consolidated statement of comprehensive income.

Notes to the condensed consolidated interim financial statements

9. Loans and borrowings

The following loans and borrowings (current and non-current) were obtained and repaid during the six months ended 31 December 2011:

In thousands of AUD	Currency	Interest Rate Nominal	Interest Rate Effective	Face Value	Carrying Amount	Year of maturity
Balance at 1 July 2011					60,717	-
New/increased loans						
Loan from director/ shareholder controlled entity						
- Unsecured	USD	2.7 – 3.1%	10.9 – 11.3%	3,634	3,778	2012
Interest accrued on loan from director/shareholder controlled entity						
- Secured	AUD	8.0%	8.0%	1,099	1,099	Note (1)
- Unsecured	AUD/USD	2.7 - 8.0%	2.7 - 8.0%	290	324	Note (1) / 2012
Accretion of interest on loan from director/shareholder controlled entity						
- Secured	AUD	8.0%	11.7 – 14.0%	-	261	Note (1)
- Unsecured	AUD/USD	2.7 - 8.0%	10.9 – 11.3%	-	483	Note (1) / 2012
Finance lease liabilities	AUD	4.2 - 12.7%	4.2 -12.7%	750	750	2012-2015
Accretion of interest on convertible notes	AUD	10.0%	11.0%	-	41	2012/2014
Repayments						
Foreign exchange loss realised	-	-	-	-	240	-
Loan from director/ shareholder controlled entity						
- Unsecured	AUD/USD	2.7 - 8.0%	-	-	(4,883)	2011
Finance lease liabilities	AUD	4.2 - 12.7%	-	(611)	(611)	2012-2015
Convertible note buy-back	AUD	-	-	(419)	(419)	2011
Balance at 31 December 2011					61,780	Note (2)

Note (1)
The maturity date of established facilities with the company controlled by the majority shareholder, Mr LH Ainsworth were extended on 21 October 2008 to a date being 4 years from his will coming into effect.

Note (2)
Included in the balance as at 31 December 2011 were Convertible Notes totalling $5,460 thousand which were redeemed on 3 January 2012 at their issue price of $1.30 per Note as they were not extended beyond their maturity date

Notes to the condensed consolidated interim financial statements

10. Related parties

Transactions with key management personnel

Key management personnel receive compensation in the form of short-term employee benefits, post-employment benefits and share-based payments awards. Key management personnel received total compensation of $1,710 thousand for the six months ended 31 December 2011 (six months ended 31 December 2010: $1,238 thousand).

Other related party transactions

	Transaction value Six months ended		Balance receivable/(payable)	
In thousands of AUD	31 Dec 11	31 Dec 10	31 Dec 11	30 Jun 11
Sale of goods				
Mr LH Ainsworth				
Company controlled by director/shareholder – sale of goods	467	39	300	-
Expenses				
Mr LH Ainsworth				
Company controlled by director/shareholder – interest expense	1,417	1,323	(16,582)	(15,348)
Company controlled by director/shareholder – interest expense on convertible notes	681	681	(685)	(4)
Companies controlled by director/shareholder – purchases and other charges	422	136	(385)	(46)
Other key management personnel				
Interest expense on convertible notes	15	15	(15)	-

The balances outstanding of $16,582 thousand (30 June 2011: $15,348 thousand) and $685 thousand (30 June 2011: $4 thousand) represent the accrued interest as at 31 December 2011 on borrowings and convertible notes of $23,157 thousand and $13,501 thousand, respectively.

Interest bearing liabilities		
Company controlled by director/shareholder		
– loan borrowings - unsecured	3,634	5,126
– loan repayments - secured	-	(134)
- unsecured	(4,883)	(4,637)
Company controlled by director/shareholder		
– net borrowings	(1,249)	355

Notes to the condensed consolidated interim financial statements

11. Legal proceedings

A Statement of Claim has been lodged in the Federal Court of Australia by a competitor alleging patent infringements. The Company intends to vigorously defend this claim. As part of these proceedings, a cross claim has been lodged by the Company alleging infringements by this party on a patent held by the Company. No amounts have been recognised with respect to these matters as at 31 December 2011. The Directors at this time do not expect the outcome of the action to have a material effect on the Group's financial position and have determined that disclosing an estimate of the potential financial effect would prejudice the position of the Company.

12. Subsequent events

The sale and leaseback of the Company's property at 10 Holker Street, Newington was approved by shareholders at a general meeting held on 22 February 2012 and the transaction will be reflected in the 30 June 2012 financial statements. The proceeds from this transaction of $22,331 thousand will be utilised to reduce debt owing to an entity controlled by a director/shareholder.

There has not arisen in the interval between the end of the half year and the date of this report any other 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 Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Ainsworth Game Technology Limited

Directors' declaration

In the opinion of the directors of Ainsworth Game Technology Limited ("the Company"):

1. the financial statements and notes set out on pages 6 to 15, are in accordance with the Corporations Act 2001 including:

   (a) giving a true and fair view of the Group's financial position as at 31 December 2011 and of its performance for the six month period ended on that date; and

   (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and

2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.

LH Ainsworth
Executive Chairman

Dated at Sydney this 22nd day of February 2012.

Independent auditor's review report to the members of Ainsworth Game Technology Limited

We have reviewed the accompanying half-year financial report of Ainsworth Game Technology Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2011, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, notes 1 to 12 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

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 a 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 half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2011 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Ainsworth Game Technology 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. 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.

Independence

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

Independent auditor's review report to the members of Ainsworth Game Technology Limited (continued)

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 Ainsworth Game Technology Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2011 and of its performance for the half-year ended on that date; and

(b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG

KPMG

Carlo Pasqualini
Partner

Sydney
22 February 2012

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Ainsworth Game Technology Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2011 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Carlo Pasqualini
Partner

Sydney
22 February 2012