

BARCREST LIMITED

Report and Financial Statements

30 September 2001

**Deloitte & Touche
PO Box 500
201 Deansgate
Manchester
M60 2AT**



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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

P J Allred
G T Baker
L Berridge
S B Brown
C M Butler
P J C A Karskens
R O Lamb - Managing Director
C Norman
D L Randall
P J Terroni
D B Wolstenholme

SECRETARY

M E Gibson

REGISTERED OFFICE

Margaret Street
Ashton-Under-Lyne
Lancashire
OL7 0QQ

SOLICITORS

Pannone & Partners
123 Deansgate
Manchester
M3 2BD

AUDITORS

Deloitte & Touche
Chartered Accountants
201 Deansgate
Manchester
M60 2AT

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30 September 2001.

ACTIVITIES AND FUTURE PROSPECTS

The company has not traded during the year.

DIVIDENDS

No dividends have been paid or proposed (2000 - £Nil).

DIRECTORS AND THEIR INTERESTS

The current board of directors is shown on page 1. All directors served throughout the year.

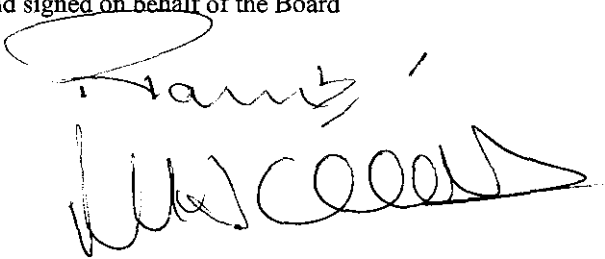
The directors had no interests in the shares of the company at 30 September 2001 or 30 September 2000.

None of the directors had any interest in the shares of the parent company at 30 September 2001 or 30 September 2000.

AUDITORS

An elective resolution has been passed to dispense with the obligation to appoint auditors annually.

Approved by the Board of Directors
and signed on behalf of the Board

Two handwritten signatures are present. The first signature is in cursive and appears to read 'Randy'. The second signature is also in cursive and appears to read 'Mike Coombs'.

22 JULY 2002

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BARCREST LIMITED

We have audited the financial statements of Barcrest Limited for the year ended 30 September 2001 which comprise the profit and loss account, the balance sheet and the related notes 1 to 8. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the companies' directors are responsible for the preparation therein of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2001 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Chartered Accountants and Registered Auditors

23 July 2002

PROFIT AND LOSS ACCOUNT
Year ended 30 September 2001

	Note	2001 £'000	2000 £'000
Profit on disposal of subsidiary undertaking		-	62
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	62
Tax on profit on ordinary activities	3	-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION RETAINED FOR THE YEAR		-	62
PROFIT AND LOSS RESERVES BROUGHT FORWARD		19	(43)
PROFIT AND LOSS RESERVES CARRIED FORWARD		19	19



The company has no recognised gains or losses other than the result for the financial year and preceding year. Accordingly a Statement of Total Recognised Gains and Losses has not been prepared.

There have been no movements in shareholders' funds other than the result for the year, and accordingly, no reconciliation of movements in shareholders' funds is included in these financial statements.

BALANCE SHEET
30 September 2001

	Note	£'000	2001 £'000	£'000	2000 £'000
CURRENT ASSETS					
Debtors	5	5,154		5,154	
CREDITORS: amounts falling due within one year	6	<u>(135)</u>		<u>(135)</u>	
NET CURRENT ASSETS			<u>5,019</u>		<u>5,019</u>
			<u>5,019</u>		<u>5,019</u>
CAPITAL AND RESERVES					
Called up share capital	7		50		50
Share premium account			4,950		4,950
Profit and loss account			<u>19</u>		<u>19</u>
Equity shareholders' funds			<u>5,019</u>		<u>5,019</u>

These financial statements were approved by the Board of Directors on
Signed on behalf of the Board of Directors

 - Director
 - Director

22 JULY 2002

NOTES TO THE ACCOUNTS

Year ended 30 September 2001

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Cash flow statement

The company has taken advantage of the exemption included in Financial Reporting Standard No 1 "Cash Flow Statements" for wholly owned subsidiaries not to prepare a cash flow statement.

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The company had no employees during the year or in the prior year.

None of the directors received any remuneration as directors of the company during the year (2000 – same).

3. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2001 £'000	2000 £'000
United Kingdom corporation tax at 30% (2000 – 30%) based on the profit for the year	-	-

There is no tax charge for the prior year as the proceeds on disposal of Barcrest KK are less than the base cost of the shares for tax purposes.

4. INVESTMENTS

The company holds investments at £Nil net book value (2000 – same) as follows:

Name of company	Holding	% of shares	Nature of business
Vivid Gaming Limited	Ordinary shares	100%	Dormant
Barcrest Espana SL *	Ordinary shares	100%	Games design

* Incorporated in Spain

The company has taken advantage of the exemption from the requirement to produce group accounts conferred in section 228 of the Companies Act 1985 on the grounds that it is a wholly owned subsidiary of IGT-UK Limited, a company registered in England and Wales.

NOTES TO THE ACCOUNTS
Year ended 30 September 2001

5. DEBTORS

	2001 £'000	2000 £'000
Amounts owed by group undertakings	5,154	5,154

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001 £'000	2000 £'000
Amounts owed to group undertakings	135	135

7. CALLED UP SHARE CAPITAL

	2001 £'000	2000 £'000
Authorised		
1,004,000 ordinary shares of 5p each	50	50
6,000 deferred shares of 5p each	-	-
	<u>50</u>	<u>50</u>
Called up, allotted and fully paid		
1,003,001 ordinary shares of 5p each	50	50
6,000 deferred shares of 5p each	-	-
	<u>50</u>	<u>50</u>

The holders of the deferred shares have the right to receive a dividend at a rate equal to one per cent of the rate of dividend paid on the ordinary shares. On a return of assets on liquidation or otherwise, the deferred share holders have the right to receive out of the surplus assets a sum not exceeding 5p per share. The holders of the deferred shares have no right to vote at general meetings of the company.

8. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary undertaking of IGT-UK Limited incorporated in Great Britain and registered in England and Wales. Copies of the consolidated financial statements of IGT-UK Limited may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.

The ultimate parent company is International Game Technology Inc., incorporated in the United States of America. The consolidated financial statements of the ultimate parent company are available to the public and may be obtained from the Chief Financial Officer, International Game Technology Inc., PO Box 10580, 9295 Prototype Drive, Reno, Nevada, 89510-0580, USA.

The company has taken advantage of the exemption included in Financial Reporting Standard No 8 "Related Party Disclosures" (para 3) for wholly owned subsidiaries not to disclose transactions with entities that are part of the group qualifying as related parties.