

**INFORMATION REGARDING PROPOSED REDEMPTION OF  
SHARES IN NET ENTERTAINMENT NE AB (PUBL) 2010**

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## DEFINITIONS

**Net Entertainment** or **the Company** refers to Net Entertainment NE AB (publ) or the Group where Net Entertainment NE AB (publ) is the parent company. **The Group** refers to the group where Net Entertainment NE AB (publ) is the parent company. **The Board** refers to the Board of Directors of Net Entertainment NE AB (publ). **The Redemption procedure** or **the Redemption** refers to the automatic redemption of shares proposed by the Board to the Annual General Meeting to be held on 14 April 2010 in Net Entertainment as described in this information brochure. **NASDAQ OMX** refers to NASDAQ OMX Stockholm AB. **Euroclear** refers Euroclear Sweden AB (formerly VPC).

This information brochure provides information on the Board of Directors' proposal of capital distribution to the shareholders of Net Entertainment through an automatic redemption of shares. The purpose of this information brochure is to provide the shareholders of Net Entertainment with information for the Annual General Meeting on 14 April 2010. This information brochure is not intended for shareholders whose participation in the redemption procedure requires additional information or the implementation of registration measures or other measures beyond those required by Swedish law. The information brochure may not be distributed to countries requiring additional information or measures pursuant to the preceding sentence or to countries in which distribution would conflict with applicable regulations. It is the responsibility of each individual to observe the restrictions ensuing from foreign law.

Erik Penser Bankaktiebolag has assisted the Company in compiling this information brochure and has relied on information provided by the Company. Erik Penser Bankaktiebolag assumes no responsibility for the accuracy of the information in this information brochure or any decision taken based on the information in this brochure.

Disputes arising from the redemption procedure pursuant to this information brochure shall be settled exclusively by Swedish law in a Swedish court.

## THE REDEMPTION PROCEDURE IN SUMMARY

- Upon approval by shareholders at the Annual General Meeting on 14 April 2010, each Net Entertainment share (both Class A and B shares) is split into two shares (share split) of which one will be named redemption share in the Euroclear system.
- The redemption share is automatically redeemed at SEK 2.00 in cash and payment will be settled on 18 May 2010.
- The redemption procedure is automatic and requires no action from the shareholder.
- Record date<sup>1</sup> for the share split and entitlement to redemption shares is 22 April 2010.
- Trading in redemption shares of Class B will take place on NASDAQ OMX between 26 April and 7 May 2010. Trading in redemptions shares of Class A will be offered through Erik Penser Bankaktiebolag.
- Shareholders resident outside of Sweden may have a favourable tax situation when selling the redemption shares during the trading period instead of having them redeemed.
- For questions regarding the Redemption procedure, please contact Net Entertainment at +46 8 57 85 45 00.

## MISCELLANEOUS

ISIN code of the redemption shares:

Class A share: SE00 0283 3046

Class B share: SE00 0283 3053

Abbreviations for the redemption shares:

Class A share: NET IL A

Class B share: NET IL B

## CALENDAR

- Annual General Meeting 14 April
- Interim report first quarter of 2010 29 April
- Interim report second quarter of 2010 26 August
- Interim report third quarter of 2010 28 October
- Year-end report 2010 10 February

<sup>1)</sup> The day you need to be registered with Euroclear as a shareholder in Net Entertainment. The Board of Directors has proposed that the Annual General Meeting authorises the Board to decide on the record date, which governs the time plan of the Redemption procedure. The time plan is presented in the summons as described in this information brochure.

# Background and reasons

The Board of Directors proposes that the Annual General Meeting of shareholders authorises distribution to shareholders of SEK 79.1 million, corresponding to SEK 2.00 per share. The proposed distribution of capital is in line with the dividend policy established by the Board of Directors, stating the ambition that the ordinary capital distribution should be at least 50 percent of consolidated profit after tax, after taking long term capital requirements into account.

Net Entertainment has a strong cash flow and the Board of Directors believes that the Company will have a good cash position and financial situation in order to finance and develop the business even after the proposed Redemption procedure.

Net Entertainment continuously evaluates potential acquisitions that may complement the product portfolio. It is intended that future acquisitions, also after the proposed Redemption, will be financed either with the Company's own cash funds, with the Company's own shares, through external financing or through a combination of the above. The choice of financing will be based on the alternative which generates the highest shareholder value at any particular point in time.

Provided that the Annual General Meeting of shareholders on 14 April 2010 approves the proposal of the Board of Directors, each Net Entertainment share will be divided into two shares, of which one will be named redemption share. The redemption shares of Class B will be traded on NASDAQ OMX between 26 April and 7 May 2010. After this date the redemption shares will be automatically redeemed for SEK 2.00 per redemption share in cash. No action will be required by the shareholders to receive payment from the redemption, which is expected to be settled on 18 May 2010.

Additional information about the Redemption procedure can be found in this brochure, which has been produced as information documentation on account of the proposed Redemption procedure in advance of the Annual General Meeting of shareholders on 14 April 2010.

Stockholm in March 2010

Net Entertainment NE AB (publ)  
The Board of Directors

# Description of the Redemption procedure

## THE PROPOSAL OF THE BOARD OF DIRECTORS IN BRIEF

The Board of Directors proposes that the Annual General Meeting on 14 April 2010 authorises distribution of capital to shareholders through a Redemption procedure. Provided that the proposal is approved, each share is split into two shares of which one will be named redemption share. Each redemption share will be automatically redeemed at SEK 2.00 in cash. The total capital distribution of the proposal amounts to SEK 79.1 million.

Shareholders that are registered with Euroclear on the record date, which is 22 April 2010, will be entitled to redemption shares. The last day of trading in Net Entertainment shares including entitlement to redemption shares is 19 April 2010.

After having received the redemption shares, the shareholder has two options:

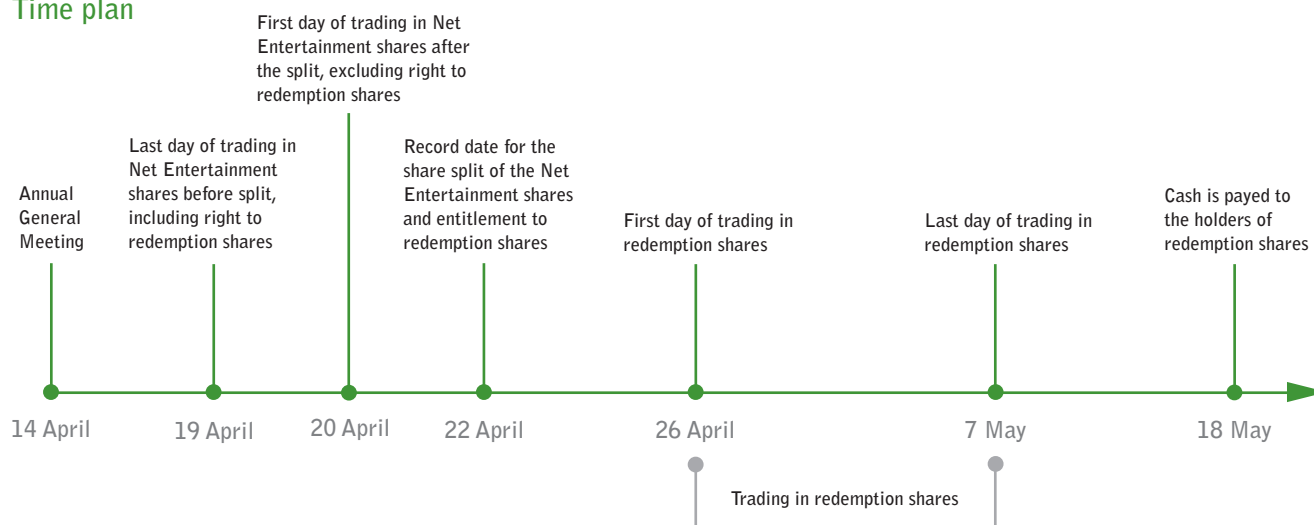
### Alternative 1:

Receive payment of SEK 2.00 per redemption share. This payment will be automatic unless alternative 2 is chosen.

### Alternative 2:

Sell the redemption shares on NASDAQ OMX (Class B shares) or through Erik Penser Bankaktiebolag (Class A shares) during the trading period of 26 April to 7 May 2010. Shareholders resident outside of Sweden may have a favourable tax situation when selling the redemption shares instead of having them redeemed.

## Time plan



## IMPORTANT DATES

- **19 April 2010** Last day of trading in Net Entertainment shares before share split, including right to redemption shares
- **20 April 2010** First day of trading in Net Entertainment shares after share split, excluding right to redemption shares
- **22 April 2010** Record date for entitlement to redemptions shares<sup>1</sup>
- **26 April–7 May 2010** Trading in redemptions shares at NASDAQ OMX (class B shares) or through Erik Penser Bankaktiebolag (class A shares)
- **18 May 2010** Payment in cash of redemption amount

<sup>1</sup>) The Board has proposed that the Annual General Meeting authorises the Board to decide on the record date, which could be changed if for any reason necessary.

## DESCRIPTION OF THE REDEMPTION PROCEDURE

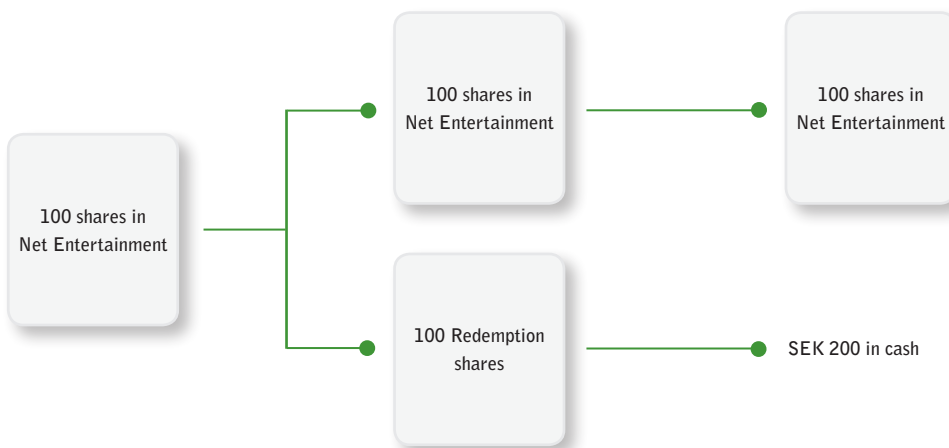
### This is how it works:

#### Before

Upon approval at the Annual General Meeting on 14 April 2010 each Net Entertainment share (both Class A and B shares) is split into two shares of which one will be named redemption share.

#### After

The redemption share is then automatically redeemed at a price of SEK 2.00 per redemption share in cash.



### ILLUSTRATIVE EXAMPLE

As of the record date for the Redemption procedure, you are the registered owner of 100 Net Entertainment shares. In this example, the current share price is assumed to be SEK 75 per share. Hence, the value of your shares is:

$$100 \text{ Net Entertainment shares} \times \text{SEK } 75 = \text{SEK } 7,500$$

When the Redemption procedure starts, each share will be split into one Net Entertainment share and one redemption share. Net Entertainment will automatically redeem the redemption share at SEK 2.00 in cash. The theoretical price for the Net Entertainment share after the split is approximately SEK 73, that is, the difference between the price per share before the split (SEK 75) and the value of the redemption share (SEK 2.00). The value of your holding then becomes as follows:

$$\begin{aligned} 100 \text{ Net Entertainment shares} \times \text{SEK } 73 &= \text{SEK } 7,300 \\ 100 \text{ redemption shares} \times \text{SEK } 2.00 &= \text{SEK } 200 \end{aligned}$$

Net Entertainment will then redeem your redemption shares for SEK 2.00 each in cash. This does not require any action on the shareholder's part. After the Redemption procedure is completed, you will hold:

$$\begin{aligned} 100 \text{ Net Entertainment shares} \times \text{SEK } 73 &= \text{SEK } 7,300 \\ \text{Cash payment for 100 redemption shares} \times \text{SEK } 2.00 &= \text{SEK } 200 \end{aligned}$$

Hence, you will still own the same number of ordinary shares in Net Entertainment as you did prior to the Redemption.

For a summary of tax consequences, please see the sections under the headings "Tax issues in Sweden" and "Questions and answers" for further information. The redemption shares of Class B will be traded on NASDAQ OMX during the period of 26 April up to and including 7 May 2010, providing you as a shareholder the opportunity to sell your redemption shares. Shareholders of redemption shares of Class A may contact Erik Penser Bankaktiebolag at +46 8 463 83 46 in order to sell Class A redemption shares.

# Terms and conditions

## **SHARE SPLIT AND REDEMPTION**

Those registered with Euroclear as shareholders in Net Entertainment on the record date 22 April 2010 for the share split are entitled to redemption shares. Each Net Entertainment share (both Class A and B) is split into two shares, of which one will be named redemption share in the Euroclear system. Each redemption share will be automatically redeemed at a cash payment of SEK 2.00 per redemption share.

## **LAST DAY OF TRADING IN SHARES INCLUDING THE RIGHT TO REDEMPTION SHARES**

The last day of trading in Net Entertainment shares before the share split and including the right to redemption shares will be 19 April 2010. Starting 20 April 2010, the Net Entertainment share will be listed after share split and excluding the right to redemption shares.

## **RECORD DATE**

The record date at Euroclear for the share split of the Net Entertainment share and entitlement to redemption shares is 22 April 2010. The redemption shares are thereafter booked into the shareholders securities account. The shareholder will receive a notice from Euroclear as confirmation of the number of redemption shares received.

## **PAYMENT OF REDEMPTION AMOUNT**

In connection with the payment of the redemption amount, the redemption shares registered in the shareholder's securities account will be removed. A notice from Euroclear relating to this will not be sent out. A cash payment of SEK 2.00 for redemption shares will be made on 18 May 2010. The payment will be made via Euroclear to the yield account linked to the shareholder's securities account. A notice from Euroclear will be sent out as confirmation of payment.

## **SHARES REGISTERED WITH NOMINEES**

Shareholders of Net Entertainment whose shares are registered with a nominee, for example, a bank or other securities company, will receive redemption shares in accordance with the information given by each nominee.

## **FOREIGN SHAREHOLDERS**

Shareholders who are not tax resident in Sweden who participate in the Redemption procedure and have shares redeemed are normally obliged to pay Swedish withholding tax on the redemption amount, see the section "Tax issues in Sweden". Withholding tax will thus be withheld for foreign shareholders in connection with the payment of the redemption amount. However, no Swedish withholding tax is payable if the redemption shares are sold.

## **TRADING IN REDEMPTION SHARES**

Trading in redemption shares of Class B will take place on NASDAQ OMX during the period 26 April up to and including 7 May 2010, under the short name NET IL B with ISIN-code SE00 0283 3053. Banks and other securities companies with the necessary permits will assist with trading in redemption shares. For trading in redemption shares of Class A, please contact Erik Penser Bankaktiebolag on +46 8 463 83 46.

# Financial implications for Net Entertainment

To illustrate how the Redemption procedure would affect Net Entertainment's and the Group's consolidated financial statements as of 31 December 2009, pro forma figures are presented below for certain balance sheet items as well as certain key data. The accounts are prepared assuming that the Redemption procedure was completed as of 31 Decem-

ber 2009 fully financed by a decrease of the Company's cash and cash equivalents. The capital distribution from Net Entertainment through the redemption procedure will only have a marginal effect on the Group's net interest income and on the result for the period. This effect is left out in the accounts below.

## Financial effects of the Redemption for the Group, Pro forma

MSEK	Before Redemption	Adjustment for Redemption	Pro forma after Redemption
<b>Key ratios as of 31 December 2009</b>			
Total equity including minority interests	174.0	79.1	94.9
Equity-to-assets ratio <sup>1)</sup>	70.0%	-14.0%	56.0%
Return on total capital <sup>2)</sup>	64.2%	15.3%	79.6%
Return on equity <sup>3)</sup>	74.1%	27.7%	101.9%

<sup>1)</sup>Equity at the end of the period as a percentage of the balance sheet total at the end of the period

<sup>2)</sup>Income after financial items with the addition of financial expenses relative to average total capital

<sup>3)</sup>Income after tax relative to average equity

## Changes in shareholders' equity for the Group, Pro forma

MSEK	Before Redemption	Share split 2:1	Redemption of shares	Bonus issue	Pro forma after Redemption
<b>Equity including minority interests as of 31 December 2009</b>					
Share capital	1.2	-	-0.6	0.6	1.2
Other paid-in capital	38.4	-	-	-	38.4
Reserves	9.0	-	-	-	9.0
Retained earnings including annual income (including minority interests)	125.5	-	-78.5	-0.6	46.4
<b>Total equity</b>	<b>174.0</b>	<b>0</b>	<b>-79.1</b>	<b>0</b>	<b>94.9</b>
Quotient value, SEK	0.03	0.015	0.015	0.03	0.03
Number of shares in total – million	39.6	79.1	39.6	39.6	39.6

## Changes in shareholders' equity for the parent company, Pro forma

MSEK	Before Redemption	Share split 2:1	Redemption of shares	Bonus issue	Pro forma after Redemption
<b>Equity as of 31 December 2009</b>					
Share capital	1.2	-	-0.6	0.6	1.2
Statutory reserve	0.0	-	-	-	0.0
<b>Total restricted equity</b>	<b>1.2</b>	<b>0</b>	<b>-0.6</b>	<b>0.6</b>	<b>1.2</b>
Share premium fund	3.5	-	-	-	3.5
Retained earnings including this year's profit	96.4	-	-78.5	-0.6	17.3
<b>Total unrestricted equity</b>	<b>99.9</b>	<b>0</b>	<b>-78.5</b>	<b>-0.6</b>	<b>20.8</b>
<b>Total equity</b>	<b>101.1</b>	<b>0</b>	<b>-79.1</b>	<b>0.0</b>	<b>21.9</b>
Quotient value, SEK	0.03	0.015	0.015	0.03	0.03
Number of shares in total – million	39.6	79.1	39.6	39.6	39.6

# Tax issues in Sweden

The following is a summary of certain Swedish tax consequences that may arise from the proposed share split and Redemption procedure for shareholders of Net Entertainment. The summary is based on Swedish tax legislation as of the date of this brochure and is intended only as general information for shareholders who are resident in Sweden for tax purposes, unless otherwise indicated. The summary does not include all tax consequences that may occur in this context. For instance, it does not cover the specific rules on so-called "qualified shares" in closely held companies, nor situations where shares are held by a partnership or held as current assets in a business operation. Special tax consequences that are not described below may also apply for certain categories of taxpayers, including investment companies and mutual funds. Each shareholder is recommended to consult a tax advisor for information with respect to the special tax consequences that may arise from the proposed share split and Redemption procedure, including the applicability and effect of foreign tax legislation, provisions contained in tax treaties for the avoidance of double taxation or other rules which may be applicable.

## **SHARE SPLIT AND RECEIPT OF REDEMPTION SHARES**

Taxation is not triggered by a share split or the receipt of redemption shares. However, the redemption or other disposal of redemption shares does trigger capital gains tax, see section "Redemption and sale of redemption shares" below.

## **REDEMPTION AND SALE OF REDEMPTION SHARES**

### **Individuals**

Individuals are subject to capital gains tax when shares are sold or redeemed. The current tax rate on the gain is, as a main rule, 30 percent. In the case of Net Entertainment, the redemption shares of Class B will be listed on NASDAQ OMX during the trading period of 26 April to 7 May 2010. The redemption shares of Class A should not be classified as listed despite the possibility to trade the redemption shares of Class A through Erik Penser Bankaktiebolag.

The capital gain is calculated to equal the difference between the proceeds received when the shares are sold or redeemed, after deductions for potential sale expenses, and the acquisition cost for tax purposes. The acquisition cost is normally determined according to the so-called average method. This means that the cost of acquiring all shares of the same type and class are added together and calculated collectively, with respect to changes to the holding. Alternatively, the so-called standard rule, according to which the acquisition cost is equal to 20 percent of the net proceeds received when the shares are sold or redeemed, may be applied to the disposal of listed shares and certain listed securities that are taxed in the same manner as shares.

Net Entertainment will request the Swedish Tax Agency to issue recommendations regarding the allocation of the pre-split acquisition cost between the remaining shares and the redemption shares, respectively, see the section "Acquisition cost of the redemption shares – Example" below.

As a main rule, 70 percent of a capital loss is deductible against any other taxable income from capital. Capital losses on listed shares and listed securities taxed in the same manner as shares (except for listed shares in mutual funds containing only Swedish receivables), are, however, fully deductible against taxable capital gains on such asset or on non-listed shares in Swedish limited liability companies and foreign legal entities. Moreover, only five sixths of capital losses on non-listed shares in Swedish limited liability companies and foreign legal entities are deductible, which accordingly is applicable to redemption shares of Class A in the case of Net Entertainment.

If a deficit arises in the income source of capital, a reduction of the tax on income from employment and from business operations, as well as the real estate tax and the municipal real estate fee, is allowed. The tax reduction amounts to 30 percent of any deficit not exceeding SEK 100,000 and 21 percent of any deficit in excess of SEK 100,000. Deficits may not be carried forward to a subsequent fiscal year.

### **Legal Entities**

Limited liability companies and other legal entities are normally taxed on all income as income from business activities at a flat tax rate of 26.3 percent. For the calculation of capital gains and losses, please see section "Individuals" above.

A capital loss on shares incurred by a corporate shareholder may be offset only against taxable gains on shares or other securities that are taxed in the same manner as shares. Such capital losses may however, under certain circumstances, also be deducted against capital gains within the same group of companies on shares and securities taxed in the same manner as shares, provided the requirements for group contributions (tax consolidation) are met. Capital losses on shares and securities taxed in the same manner as shares which are not deducted within a certain year, may be carried forward and offset against capital gains on such assets in future years without any limitation in time.

For limited liability companies and economic associations, capital gains on shares that are held for business purposes are normally tax-exempt and capital losses on such shares are normally non-deductible. Non-listed shares are always considered held for business purposes. Listed shares are considered to be held for business purposes provided that the holding represents at least 10 percent of the voting rights or if the shares are held for business reasons. Moreover, for listed shares, the shares must qualify as business related shares for a holding period of at least one year immediate prior to the sale of the shares.



## ACQUISITION COST OF THE REDEMPTION SHARES

### Example

The pre-split acquisition cost is normally allocated between the redemption share and the remaining share based on their respective market value at the time of the share split. Recommendations as to the allocation are normally issued by the Swedish Tax Agency. Information about the recommendations is expected to be made available at the Swedish Tax Agency's website, [www.skatteverket.se](http://www.skatteverket.se), and Net Entertainment's website, [www.netent.com](http://www.netent.com), in the summer of 2010.

These principles may be described by the following example.

#### Please note that the amounts below only serve as an example.

A shareholder owns 100 Net Entertainment shares of Class B with an average acquisition cost of SEK 50 per share immediately prior to the share split. It is assumed that the lowest price paid on the last day of trading in the Net Entertainment shares of Class B before the split and separation of the redemption shares is SEK 75, that the redemption shares are listed and that the lowest price paid on the first day of trading in the redemption shares is SEK 2.00. Further, it is assumed that the Swedish Tax Agency based on this issues a recommendation that 2.7 percent (SEK 2.00/SEK 75) of the pre-split acquisition cost should be allocated to the redemption share and that 97.3 percent should be allocated to the remaining share. Accordingly, the acquisition cost allocated to each redemption share should be SEK 1.35 (2.7 percent of SEK 50) and the acquisition cost allocated to each remaining share of Class B should be SEK 48.65 (97.3 percent of SEK 50).

Should the remaining shares be disposed of (through sale or redemption) at a price of SEK 2.00 per share, the total capital gain would be  $(2.00 \times 100) - (1.35 \times 100) = \text{SEK } 65$ .

The acquisition cost for any redemption shares that have not been acquired as a consequence of the share split is calculated using the average method. The calculation is based on the actual acquisition cost for such shares. When applying the average method, redemption shares and remaining shares are not considered to be of the same type and Class.

The standard rule may be used when calculating the acquisition cost for listed shares. This means that if the allocated acquisition cost of the redemption share in the example above was less than SEK 1.35, the standard rule would be more favourable, provided that the price paid for the redemption share is SEK 2.00.

## SHAREHOLDERS RESIDING OUTSIDE OF SWEDEN

### Withholding Tax

For shareholders not resident in Sweden and not conducting business from a permanent establishment in Sweden, payments due to a reduction of the share capital by way of a redemption programme are treated as dividend distributions, which mean that a 30 percent Swedish withholding tax is levied on the redemption proceeds. The withholding tax rate is often reduced under double taxation treaties between Sweden and other countries.

The withholding of the tax is normally effected by Euroclear or, if the shares are registered with a nominee, by the nominee. The withholding tax liability arises on the record date. Please note that there should be no withholding tax on the disposal of redemption shares by means of a sale to a third party.

A shareholder may reclaim the amount of withholding tax that is attributable to an amount equal to the acquisition cost of the redemption share. Alternatively, the amount of withholding tax attributable to 20 percent of the redemption amount may be reclaimed, provided that the shares are listed. The acquisition cost should be calculated as explained in the section "Acquisition cost of the redemption shares – Example". The refund application must be made in writing and submitted to the Swedish Tax Agency no later than by the end of the fifth calendar year following the redemption payment.

For shareholders that are legal entities resident within the EU, there is normally no Swedish withholding tax if the shareholder holds 10 percent or more of the capital in the company whose shares are redeemed, provided that certain conditions are met.

### Income Tax

Generally, individual shareholders who are not liable for Swedish income tax will not be liable for Swedish tax on the sale of Swedish shares. Individuals who are resident outside of Sweden and previously have been resident in Sweden are liable for Swedish tax on the sale of shares if they have been resident in Sweden or permanently lived in Sweden during the calendar year of the sale, or at any time during the ten preceding calendar years. The application of this rule may, however, be limited by double taxation treaties between Sweden and other countries. This issue is currently subject to trial in the Supreme Administrative Court.

Foreign legal entities are normally not liable for income tax on capital gains on Swedish shares unless the gains are connected to a so-called permanent establishment in Sweden.

# Questions and answers

## **WHY IS NET ENTERTAINMENT PROPOSING A SHARE REDEMPTION?**

The background for the high ambition for capital distribution is explained by strong cash flows, a positive view of the future and that forthcoming investments in operations are within the current liquidity framework. In addition to the Redemption procedure being a simple and efficient way for Net Entertainment to distribute capital to the shareholders, it may be favourable for shareholders residing outside of Sweden.

## **WHY IS THE CAPITAL NOT INVESTED IN THE BUSINESS INSTEAD OF BEING DISTRIBUTED?**

The Board of Directors believes that the financial position of Net Entertainment is satisfying and that the business may continue to develop with existing liquidity even after the proposed Redemption procedure.

## **WHAT DOES AUTOMATIC REDEMPTION OF SHARES ENTAIL?**

Automatic redemption entails that the shares that are named redemption shares in Euroclear, once the share split has taken place, are redeemed in exchange for a predetermined cash consideration, with no need for any action on the part of shareholders. It is a simple and efficient way for Net Entertainment to distribute funds to its shareholders.

## **AS A SHAREHOLDER, DO I NEED TO DO ANYTHING?**

Provided that the Annual General Meeting on 14 April 2010 resolves on an automatic Redemption procedure in accordance with the Board of Directors' proposal, shareholders do not need to take any action. Net Entertainment will automatically redeem your redemption shares and you will receive SEK 2.00 per redemption share in cash.

## **WHAT DAY WILL BE THE RECORD DAY?**

The record date for the share split and entitlement to redemption shares is 22 April 2010.

## **WHAT DAY IS THE LAST DAY TO BUY NET ENTERTAINMENT SHARES IN ORDER TO RECEIVE REDEMPTION SHARES?**

The last day of trading in Net Entertainment shares including the entitlement to redemption shares is 19 April 2010.

## **WHAT OPTIONS DO I HAVE AS A SHAREHOLDER?**

Once the Redemption is approved at the Annual General Meeting on 14 April 2010, you can await the Redemption procedure without taking any further action. The redemption shares allocated to you will be automatically redeemed at SEK 2.00 per share in cash. Alternatively, you may sell your redemption shares before the Redemption procedure is completed. Trading in redemption shares will take place during the period 26 April up to and including 7 May 2010.

## **WHEN IS THE REDEMPTION AMOUNT PAID TO HOLDERS OF REDEMPTION SHARES?**

Payment for redeemed shares is estimated to be made on 18 May 2010.

## **CAN I SELL MY REDEMPTION SHARES OF CLASS A?**

Shareholders of redemption shares of Class A wishing to sell these may contact Erik Penser Bankaktiebolag at + 46 8 463 83 46.

## **HOW MANY SHARES WILL I HAVE?**

You will have the same number of shares in Net Entertainment before and after the Redemption procedure is completed, presuming that you do not buy or sell any Net Entertainment shares. The redemption shares created will all be subject to automatic redemption.

## **HOW AND WHEN WILL THE NET ENTERTAINMENT SHARE PRICE BE AFFECTED?**

It is impossible to predict in detail how the share price will be affected by the split into Net Entertainment shares and redemption shares. Theoretically, the price of the Net Entertainment share should decrease by the redemption payment of the redemption share, that is, SEK 2.00. This share price change should occur two trading days prior to the record date for the split of the Net Entertainment share.

## **WHY IS THE REDEMPTION PROCEDURE AUTOMATIC?**

An automatic redemption procedure is relatively simple and cost efficient since there is no need for action on the part of the shareholder.

### **WHAT ARE THE TAX CONSEQUENCES OF THE SHARE REDEMPTION PROCEDURE?**

The tax consequences for shareholders will vary depending on your particular situation. Certain tax consequences for Swedish and foreign shareholders are described in the section “Tax issues in Sweden”. In case you need more information on your personal tax consequences, we recommend you to contact a tax advisor for assessment of possible tax consequences and any required measures.

#### **Swedish shareholders**

Upon the split of the Net Entertainment share into two shares, of which one is named redemption share, the pre-split acquisition cost will be allocated between the remaining Net Entertainment share and the redemption share. The redemption share is deemed as disposed of at Redemption. Any capital gain that arises will be subject to capital gains taxation. The capital gain is calculated as the difference between the redemption payment (SEK 2.00 per share) and the acquisition cost for the redemption share (see further an example in the section “Tax issues in Sweden”).

#### **Foreign shareholders**

If you are tax resident outside of Sweden, you will normally be subject to withholding tax in Sweden on the redemption amount upon redemption of shares regardless of the redemption shares being received through the share split or acquired. The tax rate is 30 percent but is often reduced under tax treaties between Sweden and other countries. Refund for the part of the withholding tax that is attributable to the acquisition cost of the shares or, provided that the shares are listed, to 20 percent of the redemption payment, may be admitted if a claim for refund is filed with the Swedish Tax Agency. No Swedish withholding tax is payable when redemption shares are sold.

### **WHAT WILL THE WITHHOLDING TAX RATE BE?**

The withholding tax rate for shareholders tax resident outside of Sweden may vary depending on the shareholder’s tax residence. For further information, please visit the Swedish Tax Agency’s website, [www.skatteverket.se](http://www.skatteverket.se).



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