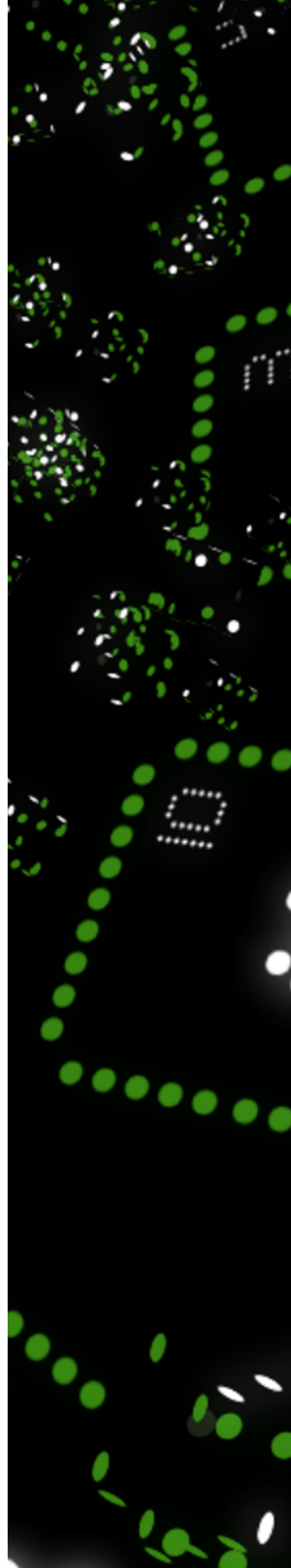




Second quarter report 2008



Net Entertainment NE AB (publ)

Net Entertainment hereby submits its Interim Report for the period January - June 2008

Second quarter report 2008

- Revenues for the first six months increased by 44% to SEK 90.5 (62.9) million
- Profit after tax rose by 47% to SEK 32.9 (22.3) million
- Earnings per share before and after dilution amounted to SEK 0.83 (0.56)
- Eight new license agreements for CasinoModule™ were signed

Second quarter 2008

- Revenues increased by 62% to SEK 48.0 (29.7) million
- Profit after tax rose by 61% to SEK 17.5 (10.9) million
- Earnings per share before and after dilution amounted to SEK 0.44 (0.27)
- Four new license agreements for CasinoModule™ were signed

Comments from Johan Öhman, CEO

“More progress in sales combined with strong sales growth marked the first half of 2008 for Net Entertainment. A total of eight new license agreements for CasinoModule™ were signed, with among others, bet-at-home.com, an influential European online operator. Our efforts to address new market segments and Tier 1 operators has proven highly productive largely due to our strong, competitive product portfolio. Predictions for the future are presented under the heading Outlook ahead.

The development of contracts in the Ukraine, which includes a downloadable casino to supplement our product portfolio, was initiated during the period. Development activities have progressed well and the product launch is scheduled for the third quarter. A more generous product portfolio will enable the company to target a broader market which is why we have also accelerated the development of soft games, a product that is closely related to casino games.

Seven new employees joined our Development and Operations Departments during the first six months. As the company lands more and larger customers, we will need to continue to recruit staff to ensure a continuously high rate of development, innovative games and excellent service.”

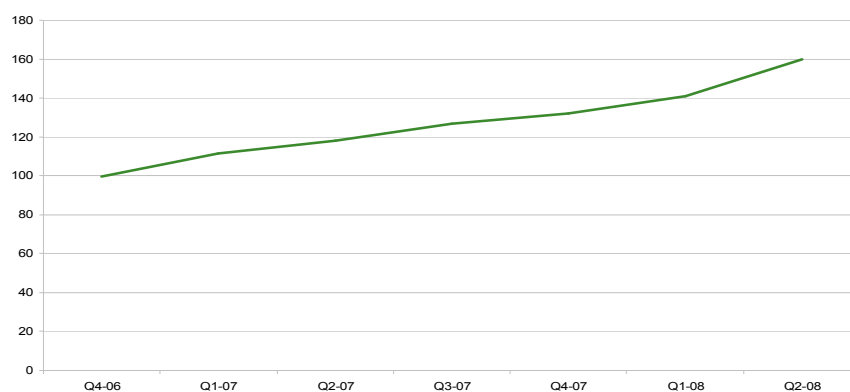
About Net Entertainment

Net Entertainment NE AB (Parent Company, corporate identification number 556532-6443) and its subsidiary Net Entertainment Malta Ltd (which together form the Group) are leading suppliers of digitally distributed Internet gaming software. The company was established in 1996 and has a customer base of close to sixty international gaming companies. Revenues consist of royalties based on the revenues generated by the Company's products and setup fees when new agreements are signed. Net Entertainment is a pure development company and thus does not conduct any gaming operations of its own. The Company's brand is internationally recognised and associated with innovation, service and quality.

The Group has offices in Stockholm, where all of the Company's technical development activities take place, and on Malta where all commercial operations including sales, marketing and product management, are conducted.

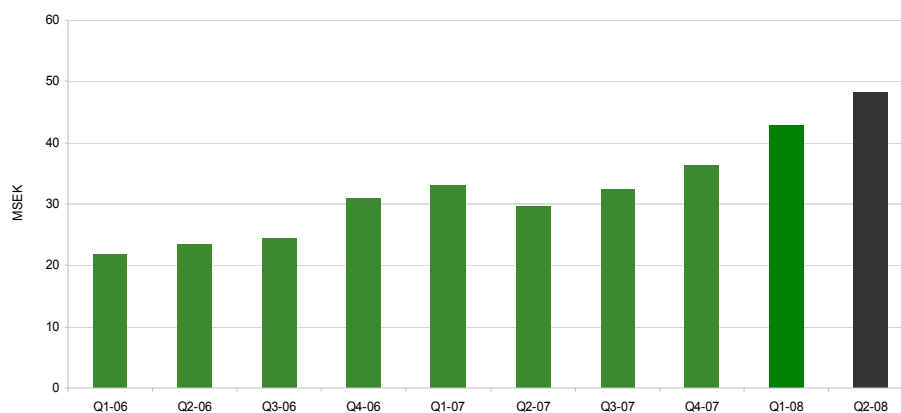
The Parent Company has been listed on the Nordic Growth Market (NGM) Equity since April 5, 2007. As announced in the First quarter report 2008, Net Entertainment's Board of Directors decided to file an application to move its exchange listing to the OMX Exchange Stockholm, Small Cap, in 2008.

Revenue for the most recent rolling 12 months is illustrated in the below diagram (SEK million).



Developments during the quarter

Net sales for the quarter increased to SEK 48.0 (29.7) million, 61.7% higher than the same period 2007. Operating profit was SEK 18.3 (12.2) million, resulting in an operating margin of 38.1% (41.0).



The year's second quarter demonstrates sound growth as a result of continued strong market advances. Two successful product releases with eight new games were released during the period and five new

customers' casinos were taken into operation, thereby boosting the company's revenue base. Moreover, the company signed four new agreements in Q2 which generated revenue in the form of setup fees.

Revenue was favourably affected by the higher volumes reported for the second quarter as compared with the equivalent period 2007. However, higher volumes also mean a somewhat lower average price since customers adopt a pricing system whereby a higher volume generates a lower price. The royalty levels per pricing system remained stable throughout the quarter. Fluctuations in exchange rates had a slightly positive effect on Net Entertainment's revenue growth in Q2 compared with the same period last year.

Operating profit was up 50% compared with the second quarter 2008 and 8% over the previous quarter. Operating expenses rose somewhat after the useful life reassessment of intangible assets made at the turn of the year. Furthermore, the company has accelerated its development pace to ensure a leading market position and broaden its selection of products. This is facilitated with the development of contracts in the Ukraine and external development resources in Stockholm, and has resulted in higher capitalization of intangible assets. In addition, the company incurred costs related to the planned OMX Nordic Exchange Stockholm listing.

At the end of the quarter, the Company had a backlog of 13 licensees whose casinos will be ready to open in the autumn.

The dividend of SEK 0.75 per share adopted at the Annual General Meeting on 10 April 08 was carried out in April, resulting in outgoing payments of SEK 29.7 million.

The market

The market for online gaming has exhibited strong growth the past years and global sales for internet gaming are expected to exceed USD 16 billion in 2008. In the next few years, Europe is expected to represent more than 50% of total gaming revenues and grow by 15-20% annually, making it by far the largest gaming market.¹

Net Entertainment views the conditions for continued expansion in the casino market as good. A more generous product portfolio will enable the company to target a broader market. The market for online gaming is maturing and resulting in consolidations and increased competition between operators. This means that fewer players will dominate the market, which will increase demand for "best-of-breed" solutions. Online operators continue to add new products, making them more and more like gaming portals. This helps attract new players while simultaneously boosting revenues from existing customers through cross-sales. All in all, this development benefits Net Entertainment and the Company means to take an active role in the market restructuring.

The market continues to expand as online gaming attracts new categories of operators and players. Market surveys show, for example, an increasing percentage of women, partly driven by the growth of such new gaming segments as bingo and skill games. The traditional image of a typical player, a man aged between 25 and 35, is thus much less predominant than before. At the same time, we are observing how gaming activities are becoming increasingly popular among older age groups. Mature players are sometimes collectively referred to as "Silver Surfers". The younger generation of players, with their experience of playing TV games and easy familiarity with computer technology, are demanding more sophisticated games and features. As a games development company, it is vital to concentrate on the demands from the market and ensure that new products continuously meet the customers' demands.

Legal developments in the EU are gradually giving more manoeuvring space for Net Entertainment's customers. The European Court of Justice continues to act against state gaming monopolies, and in the long term the Company believes there will be a regulated gaming market. This will open new possibilities for the operators on the market while introducing new requirements. Net Entertainment is

well equipped for this development. For instance, CasinoModule™ already supports the standards for player protection set by the organisation G4.

Source: ¹⁾ Global Betting and Gaming Consultants, 15 Jan 2008

Competitors

Even if the market for online gaming is large and growing, the supplier side is dominated by a small number of players. Net Entertainment has six primary competitors: Boss Media, Chartwell, Cryptologic, Playtech, Microgaming and Real Time Gaming. All of these have a broader product portfolio than Net Entertainment.

Net Entertainment has chosen to focus on casino gaming as a well-defined market segment and therefore develops casino solutions of the highest class. The company has started to expand its product portfolio in a bid to address a broader market. However, the company focuses on closely affiliated products which enables Net Entertainment to offer best-of-breed solutions since this has proven to be a rewarding strategy. The management's assessment is that the Company has a market share of about 10%, based on the fact that Net Entertainment delivers casino games to around 10 of the 100 largest sport betting sites.

Price trend

In recent years, the royalty fees for casino solutions have risen in absolute terms. This trend is driven by the operators' increasing sales. The royalty level has remained stable over the past quarters.

New assignments and customers

During the quarter, new agreements for delivery of CasinoModule™ were signed with four operators: Happybet, Simbat, Starprice online and Intragame. In addition the company renewed the agreement with NordicBet.

Cash and cash equivalents, financing and financial position

The Group's cash flow from operating activities during the first six months amounted to SEK 39.8 (15.5) million. Cash flow from investing activities was negative in an amount of SEK 7.4 (negative 6.0) million. Cash flow from financing activities amounted to SEK -29.7 (-9.9) million and relates in both periods to dividends to shareholders. On 30 June 2008, consolidated cash and cash equivalents stood at SEK 28.6 (12.9) million (SEK 2.8 million of which refers to funds held on behalf of licensees). The Group's strong liquidity is attributed to the positive cash flow generated by operating activities. The Group had an effective tax rate of 6% (9.9) for the first six months. The Group's effective tax rate is primarily affected by the distribution of profit between Sweden and Malta. Since the profit in Sweden for the first six months is lower than for the same period last year, the effective tax rate for the Group is lower.

Investments

The Group's capitalization of intangible assets during the period amounted to SEK 6.8 (4.6) million, and property, plant, and equipment amounted to SEK 0.7 (1.3) million.

Personnel and organisation

The Group had 74 (59) active employees at the end of the period, of which women comprised 26% (27). The total headcount at Net Entertainment, including subcontractors, was 91 (73) at the end of the period. Personnel costs for the period amounted to SEK 13.2 (7.5) million. At the end of the quarter, eight persons were employed by the subsidiary Net Entertainment Malta Ltd. The Maltese company is responsible for sales, account management, business development, product management and marketing.

Parent Company

The parent company's revenues for the quarter amounted to SEK 26.5 million compared with SEK 21.3 million for Q2 2007. The corresponding numbers for the six-month period is SEK 50.7 million, compared with SEK 41.2 million. Operating profit amounted to SEK 0.0 (5.1) million and SEK 1.9 (11.8) million for

the first six months. Profit after tax for the quarter was SEK 0.0 (3.6) million and SEK 1.1 (10.0) million for the first six months. Cash and cash equivalents in the Parent Company amounted to SEK 9.1 (3.2) million on 30 June 2008. The year's second quarter has been charged with higher personnel expenses than in previous quarters due to provisions for an employee bonus scheme.

Events after the end of the period

Since the end of the quarter, five licensees have begun their casino operations. In addition, the company signed six new CasinoModule™ delivery agreements with such customers as king.com witch is one of the world's largest online operators, two Tier 1 operators that for the moment have chosen to be anonymous (Tier 1 operator means that the operator belongs to the largest operators in Europe) and with 21media, Chipleader and Bingo Las Vegas witch all are small newly started alternatively under initiation.

So far, the trend for Q3 2008 is strong.

Outlook ahead

The outlook for Net Entertainment remains bright, and it is the Company's assessment that the trend will remain sound throughout the second half of 2008. As well as a strong, expanding customer base that includes several leading operators, the Company has a solid sales pipeline. By offering a range of market-leading products and services, the Company improves the competitive strength of its existing customers and attracts new potential customers.

In 2008, Net Entertainment aims to grow more than the market and show strong profitability.

Accounting principles

Preparation of the report

This interim report is prepared in accordance with IAS 34, Interim Financial Reporting, which complies with Swedish legislation through the application of the Swedish Financial Reporting Board's recommendation RFR 1.1, Supplementary Accounting Rules for Groups and RFR 2:1, Accounting for Legal Entities, in respect to the Parent Company. The same accounting principles, definitions for key ratio and calculation methods have been used as in the previous Annual Report.

No new standards have come into effect that have an impact on Net Entertainment's position or result.

Changed accounting principles

The Group has previously recognised capitalized development expenses in the income statement as a type of revenue. Effective 30 June 2008, these expenses are instead recognised in net amounts and allocated to the type of costs from which they stem, i.e. personnel expenses and/or other operating expenses. Historical comparative figures have been recalculated according to this principle. The change has no impact, not even historically, on the Group's revenue, operating profit, key ratio or financial position in general.

First-time adoption of accounting principles

To reduce risk exposure in terms of exchange rate fluctuations, Net Entertainment will hedge parts of its future cash flow as of 1 April 2008. This means that the Group's financial instruments will also include derivatives as of this date.

Financial assets will be derecognised from the balance sheets when the right to receive cash flow from the instrument has matured or been transferred and the Group has transferred basically all ownership-associated risks and benefits.

Derivative instruments

All derivatives are recognised at fair value in the balance sheets. For derivative instruments qualifying as cash flow hedge, the effective portion of the changes in the fair value is recognised in separate equity categories until such time that the hedged item is recognised in the income statement. For derivative instruments that do not meet the criteria for hedge accounting, and for ineffective portions of derivatives qualifying for hedge accounting, changes in fair value are recognised in the income statement as other interest income/expenses.

Segment reporting

The Company's core product, CasinoModule™, represented the majority of revenues during the period. Geographically, Net Entertainment's partners (the operators) offer gaming to their customers in many different countries. Net Entertainment does not have access to information about the end customer (the player) and therefore cannot determine where gaming revenues originate geographically. Net Entertainment's direct customer's domicile is governed by other reasons than proximity to the local market, for instance suitable gaming legislation, taxation reasons, or other reasons. The advantage of the Internet is that it is a global, cross-border distribution form where gaming site owners can be domiciled anywhere in the world and still serve many local markets around the world. Dividing operations into geographical segments according to these companies' legal domicile would not provide relevant information. Similarly, the operations of the Group are also spread geographically, primarily for legal and market reasons.

Risks and uncertainties

Net Entertainment's operations are exposed to certain risks that could have a varying impact on earnings. These can be divided into industry, operational and financial risks. The management's general view of the risks that could affect operations has not changed significantly compared with the description given in the most recently published Annual Report. The description below is a summary. For a detailed description of the risk profile, see Net Entertainment's 2007 Annual Report, pages 27-28 and page 47.

Industry and operational risks

As specific industry-related operational risks it is noted that since gaming is regulated by law on most national markets, Net Entertainment, as a supplier of casino games, and its customers are dependent on the legal situation of the gaming industry, and can be significantly affected by political decisions and changes in legislation. Net Entertainment has a Class 4 license on Malta, which means that the Company is permitted to operate hosting for its customers. It is crucial that this license is maintained and extended. Since 2005, Net Entertainment is a member of the organisation G4, which works to prevent gaming addiction (this membership is despite the fact that the company itself does not have any gaming operations). CasinoModule™ has been adapted to follow the organisation's guidelines.

Other operational risks include the Company's dependency on maintaining the technical competence of its personnel, maintaining larger customer contracts, and protecting internally developed products, intellectual property and contracts. The company's competitors and general market swings naturally also affect the company's situation.

Financial risks

The Group's results are exposed to changes in exchange rates as the majority of its sales are in Euro, and costs (transaction exposure) are in Swedish kronor. Net Entertainment hedges part of the risk for exchange rate fluctuations through cash flow hedging.

Profit/loss and equity are also affected by changes in exchange rates when the foreign subsidiaries' profits, assets and liabilities are translated to SEK (translation exposure). Foreign subsidiaries' equity is not currently hedged.

To date, the Group's organisation on Malta has been exempt from VAT. The Maltese authorities are currently reviewing their regulations on foreign gaming companies, but it is not currently possible to gain a definite understanding of possible pending regulatory changes. Net Entertainment makes regular provisions in the event that parts of the company's activities become subject to VAT.

Future reporting

The quarterly report for the period July-September 2008 will be published 3 November 2008.

The Board of Directors and CEO assure that the Q2 interim report gives a true overview of the company and Group's operations, position and result, as well as describes significant risks and instability factors that affect the company and Group members.

Stockholm, 18 August 2008.

Rolf Blom
Chairman of the Board

Vigo Carlund

Niclas Eriksson

Mikael Gottschlich

Fredrik Burvall.

Johan Öhman
Chief Executive Officer/President

Questions may be directed to:

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Chief Executive Officer

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Review Report

I have reviewed the interim report for Net Entertainment AB (publ) for the period 1 January to 30 June 2008. The Board of Directors and the CEO are responsible for preparing and presenting a true account of the interim financial information in accordance with IAS 34 and the Annual Accounts Act. My responsibility is to express a conclusion about this interim financial information based on my review.

I conducted my review in accordance with the Standard on Review Engagements SÖG 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different emphasis and a substantially smaller scope than an audit conducted in accordance with the Swedish auditing standard, RS, and other generally accepted auditing practices. The procedures performed in a review do not enable me to obtain a level of assurance that would make me aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information does not, in all material respects, provide a true picture of the company's financial position as of 30 June 2008 and of its financial results and cash flow for the six-month period ending on this date in accordance with IAS 34 and the Annual Accounts Act.

Stockholm, 18 August 2008

Deloitte AB

Therese Kjellberg
Authorised Public Accountant

Consolidated income statement in summary

	Q2 2008	Q2 2007	Jan-Jun 2008	Jan-Jun 2007	Jan-Dec 2007
Revenues	48 016	29 697	90 485	62 861	131 145
Other revenue	165	34	447	461	875
Personnel expenses	-13 161	-7 461	-25 157	-16 873	-36 105
Depreciation/amortisation	-4 174	-1 748	-7 092	-3 740	-7 839
Other operating expenses	-12 568	-8 349	-23 481	-18 011	-37 496
Operating profit	18 278	12 173	35 202	24 698	50 580
Financial revenue	570	239	903	238	411
Financial expense	-395	-132	-1 080	-136	-187
Profit before tax	18 453	12 280	35 025	24 800	50 804
Tax on the period's profit	-935	-1 411	-2 091	-2 464	-4 893
Profit/loss for the period	17 518	10 869	32 934	22 336	45 911
<i>Attributable to:</i>					
Parent Company shareholders	17 518	10 869	32 934	22 336	45 911
Earnings per share (before/after dilution, SEK)	0.44	0.27	0.83	0.56	1.16
Number of employees at period's end	39 553 716	39 553 716	39 553 716	39 553 716	39 553 716
Average number of shares	39 553 716	39 553 716	39 553 716	39 553 716	39 553 716

Parent Company income statement in summary

	Q2 2008	Q2 2007	Jan-Jun 2008	Jan-Jun 2007	Jan-Dec 2007
Revenues	26 483	21 253	50 722	41 238	78 050
Other revenue	99	34	149	461	874
Capitalised work for own use	-	2 393	-	4 620	4 620
Other external expenses	-9 917	-8 090	-17 655	-16 806	-32 827
Personnel expenses	-13 954	-9 262	-26 858	-20 339	-40 509
Depreciation/amortisation	-2 706	-1 204	-4 430	2 675	-5 208
Other operating expenses	-	-62	-	-1	-56
Operating profit	5	5 062	1 928	11 848	4 944
Financial revenue	443	122	595	122	29 710
Financial expense	-395	-132	-1 046	-136	-186
Profit before tax	53	5 052	1 477	11 834	34 468
Tax on the period's profit	-15	-1 414	-414	-1 816	-1 458
Profit/loss for the period	38	3 638	1 063	10 018	33 010

Consolidated balance sheet in summary

ASSETS	2008-06-30	2007-06-30	2007-12-31
Intangible assets	25 015	21 877	24 246
Property, plant and equipment	5 459	4 723	5 860
Other long-term receivables	5	31	18
Total non-current assets	30 479	26 631	30 124
Accounts receivable	11 433	6 095	11 143
Prepaid expenses and accrued revenues	20 833	10 961	15 874
Current tax recoverable	14 031	1 875	12 953
Other receivables	2 704	387	2 085
Cash and cash equivalents	28 572*	12 901	25 915
Total current assets	77 573	32 219	67 970
TOTAL ASSETS	108 052	58 850	98 094
EQUITY AND LIABILITIES	2008-06-30	2007-06-30	2007-12-31
Share capital	1 191	1 191	1 191
Other capital contributed	34 200	34 200	34 200
Reserves	1 055	-181	801
Retained earnings incl. profit/loss for the period	20 222	-6 622	16 953
Total equity	56 668	28 588	53 145
Deferred tax liabilities	1 908	835	2 195
Total non-current liabilities	1 908	835	2 195
Accounts payable	12 202	6 488	4 739
Current tax liabilities	17 170	7 408	21 875
Other liabilities	2 914	6 943	7 399
Provisions	1 970	-	-
Accrued expenses and prepaid revenue	15 220	8 588	8 741
Total current liabilities	49 476	29 427	42 754
TOTAL EQUITY AND LIABILITIES	108 052	58 850	98 094

*Closing cash and cash equivalents for the period include SEK 2,760,000 which are funds held on behalf of licensees.

Parent Company balance sheet in summary

ASSETS	2008-06-30	2007-06-30	2007-12-31
Intangible assets	8 874	14 893	12 656
Property, plant and equipment	2 746	1 745	3 635
Shares in subsidiary	183	216	216
Other long-term receivables	5	43	5
Total non-current assets	11 808	16 897	16 512
Accounts receivable	-	-	4
Receivables from Group companies	9 268	24 599	29 545
Prepaid expenses and accrued revenues	2 066	819	2 024
Current tax recoverable	693	1 875	0
Other receivables	2 704	33	2 083
Cash and cash equivalents	9 097	3 204	12 462
Total current assets	23 828	30 530	46 118
TOTAL ASSETS	35 636	47 427	62 630
EQUITY AND LIABILITIES	2008-06-30	2007-06-30	2007-12-31
Share capital	1 191	1 191	1 191
Statutory reserve	38	38	38
Retained earnings	6 739	3 650	3 650
Profit/loss for the period	1 063	4 669	33 010
Total equity	9 031	9 548	37 889
Untaxed reserves	2 982	2 982	2 982
Accounts payable	2 337	6 488	4 503
Liabilities to Group companies	8 373	10 778	1 806
Current tax liabilities	-	6 756	6 763
Other liabilities	893	5 444	924
Accrued expenses and prepaid revenue	12 020	5 431	7 762
Total current liabilities	23 623	34 897	21 758
TOTAL EQUITY AND LIABILITIES	35 636	47 427	62 630

Consolidated changes in equity for the period

2008	Share capital	Other capital contributions	Other reserves		Retained earnings incl. profit for year	Total equity
			Hedging reserve	Translation difference		
Opening equity, 1 January 2008	1 191	34 200	-	801	16 953	53 145
Cash flow hedging, profit before tax			-280			-280
Cash flow hedging, tax effect			24			24
Translation differences for the period				510		510
Total changes in value recognised directly in equity, excl. transactions with company owners			-256	510		254
Profit/loss for the period					32 934	32 934
Total changes in value, excl. transactions with company owners			-256	510	32 934	33 188
Dividends for 2007					-29 665	-29 665
Closing equity 30 June 2008	1 191	34 200	-256	1 311	20 222	56 668

2007	Share capital	Other capital contributed	Reserves	Retained earnings incl. profit for year	Total equity
Opening equity, 1 January 2007	1 187	34 204	-232	-19 069	16 090
Translation differences for the period			51		51
Total changes in value recognised directly in equity, excl. transactions with company owners			51		51
Profit/loss for the period				22 336	22 336
Total changes in value, excl. transactions with company owners			51	22 336	22 387
Bonus issue	4	-4			0
Dividends for 2006				-9 889	-9 889
Closing equity 30 June 2007	1 191	34 200	-181	-6 622	28 588

There is no minority interest in the Group. All equity is therefore attributed to Parent Company shareholders.

Consolidated cash flow statement in summary

	Jan-Jun 2008	Jan-Jun 2007	Jan-Dec 2007
Operating profit	35 202	24 698	50 580
<i>Adjustments for items not included in cash flow</i>			
Depreciation/amortisation	7 092	3 740	7 839
Interest	-177	102	224
Other	36	-227	561
Taxes paid	-7 874	-2 104	184
Cash flows from operating activities before changes in working capital	34 279	26 209	59 388
Changes in working capital	5 559	-10 677	-23 509
Cash flow from operating activities	39 838	15 532	35 879
Capitalized intangible assets	-6 749	-4 620	-10 460
Acquisition of property, plant and equipment	-711	-1 331	-3 003
Divestment of other financial assets	13	-	24
Cash flow from investing activities	-7 447	-5 951	-13 439
Dividends paid	-29 665	-9 888	-9 889
Cash flows from financing activities	-29 665	-9 888	-9 889
Exchange rate differences in cash and cash equivalents	-69	154	311
Cash flow for the period	2 657	-153	12 862
Cash and liquid assets at beginning of period	25 915	13 053	13 053
Cash and liquid assets at end of period	28 572*	12 901	25 915

*Closing cash and cash equivalents for the period include SEK 2,760,000 which are funds held on behalf of licensees.

Consolidated key data and figures

	Q2 2008	Q2 2007	Jan-Jun 2008	Jan-Jun 2007	Jan-Dec 2007
Revenues (SEK thousands)	48 016	29 697	90 485	62 861	131 145
Operating profit (SEK thousands)	18 278	12 173	35 202	24 698	50 580
Profit before tax (SEK thousands)	18 453	12 280	35 025	24 800	50 804
Profit/loss for the period (SEK thousands)	17 518	10 869	32 934	22 336	45 911
Operating margin (percent)	38.1	41.0	38.9	39.3	38.6
EBIT margin (percent)	39.3	41.8	39.9	39.4	38.5
Profit margin (percent)	38.4	41.4	38.7	39.5	38.7
Return on investment on shareholders' equity (percent)	28.0	38.6	60.0	100.0	132.6
Equity/assets ratio (percent)	52.4	48.6	52.4	48.6	54.2
Quick ratio (percent)	156.8	109.5	156.8	109.5	159.0
Net interest-bearing liabilities (SEK thousands) *	-28 572	-12 901	-28 572	-12 901	-25 915
Net debt/equity ratio (multiple)	-0.5	-0.5	-0.5	-0.5	-0.5
Average number of employees	66	60	65	60	60
Employees at period-end	74	59	74	59	67
Earnings per share	0.44	0.27	0.83	0.56	1.16
Equity per share (SEK)	1.43	0.72	1.43	0.72	1.34
Cash flow per share (SEK)	-0.21	0.29	0.07	0.00	0.33
Average number of outstanding shares	39 553 716	39 553 716	39 553 716	39 553 716	39 553 716
Number of outstanding shares at period-end	39 553 716	39 553 716	39 553 716	39 553 716	39 553 716

* A negative figure means that the Company has a net cash position (the Company has a positive cash flow and no debt).

Definitions

Operating margin

Operating profit/loss divided by revenues for the period.

EBIT margin

Operating profit/loss plus financial income, divided by revenues for the period.

Profit margin

Profit/loss after financial items divided by revenues for the period.

Return on investment on shareholders' equity

Year's profit/loss divided by average shareholder equity for the period.

Equity/assets ratio

Equity at the end of period as a percentage of total assets at the end of period.

Acid test ratio

Current assets divided by current liabilities, including proposed but not yet adopted dividends.

Net interest-bearing liabilities

Net of interest-bearing provisions and liabilities less financial assets including cash and cash equivalents.

Net debt/equity ratio (multiple)

Net of interest-bearing provisions and liabilities less financial assets including cash and cash equivalents divided by shareholders' equity.

Average number of employees

The number of employees converted into full-time equivalents.

Number of employees at year-end

The number of employees on the last monthly wage-payment day.

Earnings per share

Earnings after tax divided by the average number of shares outstanding during the period.

Shareholders' equity per share

Shareholders' equity divided by the number of shares outstanding at the end of the period.

Cash flow per share

Cash flow for the year, divided by the weighted average number of shares outstanding during the year, adjusted for additional shares in the event of conversion of outstanding warrants.

Number of shares outstanding

The number of shares outstanding at the close of each period, adjusted for bonus issue and share split.

Net Entertainment's products

Casino

The company's core product, CasinoModule™, is a complete gaming platform consisting of more than 60 casino games and a powerful administration system. Games form four categories: table games, video poker, slot machines and other games including scratch cards and keno.

The games are customised for each licensee to become a natural, integral part of the gaming site. Net Entertainment also provides assistance with graphical design of the website where the games are presented.

Multiplayer games

Net Entertainment has developed and offers a poker game for the Turkish market. In addition, the company has developed a multiplayer blackjack game, the sale of which is being rolled out to the company's customers.

Casino Café™

Casino Café is a product that allows gaming in a physical environment. A very small initial investment allows an operator to set up a mini casino using standard PCs where gaming can be operated through one-time accounts. The product will become commercially available during Q3.

Service

Net Entertainment offers a number of peripheral services including technical support, hosting, account management and system surveillance. This allows the licensees to focus on their core business.

Development

The company brings out a new product release every 12 weeks, ensuring that licensees can continually offer new, exciting gaming selections. Each product release includes 4-6 new games that licensees receive access to within the framework of the existing license agreement.

Two of the new games released with CasinoModule™ version 3.12 (June) were Beetle Frenzy and Hi Lo Switch:

