

NET ENTERTAINMENT
INTERIM REPORT
JANUARY-SEPTEMBER 2009
BETTER GAMES

INTERIM REPORT JANUARY - SEPTEMBER 2009

THIRD QUARTER 2009

- Revenues for the third quarter increased by 44.0 % to SEK 75.8 (52.7) million
- Operating profit increased by 35.2 % to SEK 30.0 (22.2) million
- Operating margin was 39.5 (42.1) %
- Profit after tax increased by 4.4 % to SEK 20.8 (19.9) million
- Earnings per share amounted to SEK 0.53 (0.50)
- Two new license agreements were signed for CasinoModule™

NINE-MONTH PERIOD 2009

- Revenues for the nine-month period increased by 49.5 % to SEK 214.6 (143.6) million
- Operating profit increased by 47.9 % to SEK 84.8 (57.4) million
- Operating margin was 39.5 (39.9) %
- Profit after tax increased by 42.4 % to SEK 75.3 (52.8) million
- Earnings per share amounted to SEK 1.90 (1.34)
- Seven new license agreements were signed for CasinoModule™
- Two breakthrough agreements were signed for CasinoCafé™ in January

COMMENTS FROM JOHAN ÖHMAN, PRESIDENT AND CEO

Growth during the third quarter was primarily a result of a large increase in player activity from existing customer base and the addition of four new operators, including Paf and Sportingbet. Due to the strengthened Swedish krona, we did not benefit from the increased player activity to a full extent, as the majority of invoicing is carried out in Euros. Over one billion game transactions were managed during the quarter which is twice as many as the same period last year and 16 percent more than previous quarter. As the numbers of transactions have increased significantly the average stake per game round has declined somewhat which we estimate is a result of the continued unease on the financial market. However, the increased player activity gives a strong foundation the day the effect of the financial unease diminishes.

The European gaming market is transforming and many countries like Italy, France and Denmark, have announced an intention to introduce a licensing procedure. We believe that this will favour Net Entertainment who can increase market share. A large focus is being dedicated to address new business opportunities but also to capitalise on the functionality introduced in CasinoModule™ which enables the operators to offer our games to a larger share of the player base. By reaching more active players, revenues from the existing customer base can increase on top of revenues from organic growth. The roll-out of CasinoCafé™ with Delta Invest has been delayed primarily due to technical reasons. During the fourth quarter we will appoint a local resource to dedicatedly assist Delta Invest and attend to the market.

The activities carried out during the year to strengthen the organisation and our offer has proceeded well and the IT-projects previously announced are basically completed. As a result the company is well prepared to continue its success and to take on new challenges.

ABOUT NET ENTERTAINMENT

Net Entertainment NE AB and its subsidiaries (which together form the Group or the Company) is a premium supplier of digitally distributed online gaming systems used by some of the world's most successful online gaming operators. The core product, CasinoModule™, is a complete gaming platform comprising high quality games and a powerful administration tool. Operators are provided a customized solution that is easily integrated ensuring short time to market and a cost efficient operation. Revenues consist of royalties based on 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.

All technical development is carried out at the Group's Stockholm office, and all commercial operations such as sales, marketing and product management are carried out from the Malta office.

The parent company is listed on NASDAQ OMX Stockholm since January 13 2009. Prior to this, the Company's share was listed on the Nordic Growth Market (NGM) Equity since April 2007.

BUSINESS MODEL AND OBJECTIVES

Net Entertainment shall provide robust online gaming systems with exciting games developed using cutting-edge technology and expertise for gaming operators who can thereby expand their product portfolios and gain a competitive advantage that increases their profits and growth.

The gaming operators pay a monthly license fee, calculated using a tiered scale as a percentage of the gross gaming yield generated by the casino. It is therefore in the interest of both the operator and Net Entertainment to increase the operator's gaming revenues. Through the launch of new games with high entertainment value and different kinds of bonus and loyalty schemas, players are encouraged to stay on the operator's site.

The European market for online gaming is expected to grow more than 20 percent on average in the coming years. Net Entertainment's financial objective is to grow more than the market with a sustainable operating margin of more than 30 percent.

MARKET

The online gaming market has shown strong growth in recent years, a growth that has continued albeit a somewhat lower pace due to the global downturn in the economy. The global gross gaming yield for online gaming is expected to amount to approximately USD 25.5 billion in 2009 compared to 22.5 in 2008. In coming years, Europe is expected to represent close to half of the total gaming revenues, making it the single largest gaming market.

Deregulation of the gambling industry is taking place in some European countries such as France and Italy. It is partly driven by rulings in the European Court of Justice and tax opportunities for member states. Instead of having online gaming operators offering remote gaming to the European population across the borders, EU member states seem to implement licensing regimes, extending concessions to operators and in turn implementing gaming taxes.

The Italian gambling market is expected to generate approximately EUR 18.7 billion this year, making it the single largest market in Europe¹⁾. Italy is today a regulated market with sports and horse betting, tournament poker, skill games and scratch tickets available on the internet via licensed operators. In the future, concessions are expected to be extended to also include cash poker games, bingo and casino. Most stakeholders believe the new regulations are to take effect in the beginning of 2010.

France is contemplating to transition from being a monopolistic to a regulated commercial market. Draft legislation to legalise horse race betting, sports betting and poker was introduced in early October. The new regime, if passed, is expected to become effective in the middle of 2010 before the start of the World Cup in soccer.

Net Entertainment believes that conditions for continued expansion are good. By providing a first-rate product the conditions for new deals are secured and by extending the product portfolio enables the Company to target a wider market. Expansion may take the form of organic growth or be attained through acquisitions or via in-licensing. The company also sees growth opportunities in markets outside of Europe, which traditionally has been Net Entertainment's market base.

1) Source: H2 Gaming Capital, August 2009

DEVELOPMENTS DURING THE THIRD QUARTER

NEW AGREEMENTS AND CUSTOMERS

During the third quarter two new customer agreements were signed for CasinoModule™, including an agreement with Expekt.com. Expekt is a Scandinavian gaming site with over 1,500,000 registered players. CasinoModule™ will be launched by Expekt no later than during the first quarter 2010. The Company has terminated its agreements with a number of smaller customers whose casinos have not generated the required minimum sales.

CasinoCafé™ was launched for Delta Invest with a first roll-out to approximately 20 shops. Further roll-outs will occur gradually during the remainder of 2009 as well as 2010 and thereafter. Delta Invest has considerable experience from land-based gaming operations and offer CasinoCafé™ to its network comprising over 500 shops in Russia. The roll-out for Delta Invest has commenced somewhat slower than anticipated due to technical challenges together with competition from other alternative products. Net Entertainment will appoint a local resource during the fourth quarter to dedicatedly assist Delta Invest and attend to the market.

In July, CasinoModule™ was launched with Paf who runs gambling operations with a licence issued by the Åland authorities. Paf's online operation was launched in 1999 and has over 500,000 registered players. The casino has been well received by Paf's customers and developed in a financially satisfying manner.

CasinoModule™ was launched with Sportingbet later in the quarter on their two largest markets. Sportingbet was founded in 1998 and has over 200,000 active players. Additional roll-out to other markets is expected to continue gradually.

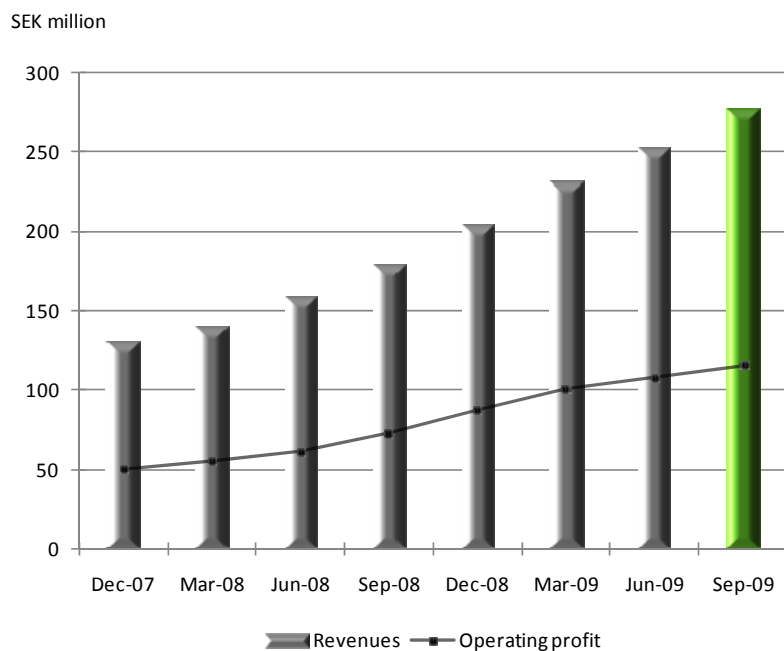
At the end of the quarter, the company had eleven contracted customers for CasinoModule™ that have not yet launched operations, including Expekt.com.

A new functionality in the administration tool, called Seamless Wallet, was completed and launched during the third quarter. The functionality involves a dynamic opportunity for the operators to expand their gaming offering and provide casino games in other parts of their internet portal, for example in the poker room or in the sports book. Through this addition players who usually do not visit the casino can explore and play Net Entertainment's casino games.

Net Entertainment's first operator unique game was launched in August. The game gives the operator an opportunity to differentiate its casino offering. This also strengthens Net Entertainment's ties with the operator and also generates a higher royalty level for Net Entertainment.

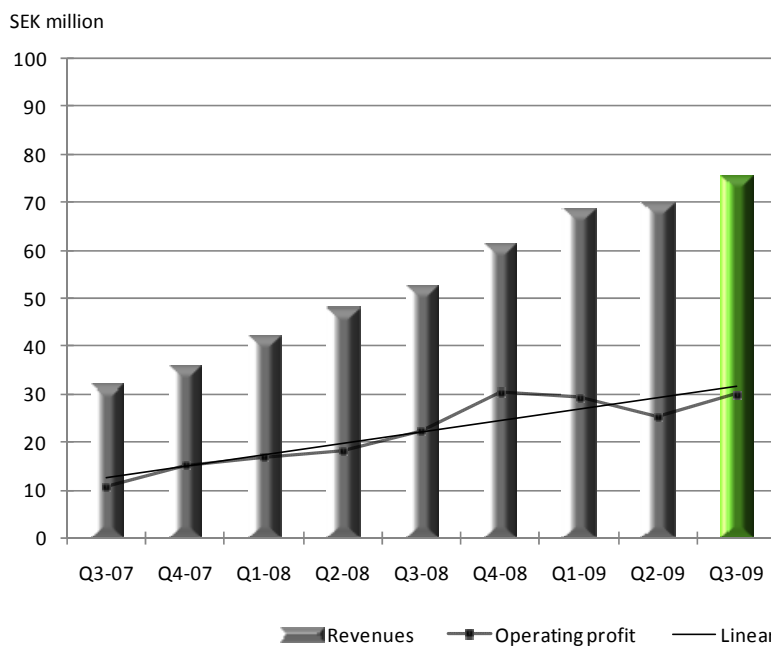
REVENUES AND PROFITABILITY

Revenues and operating profit for the most recent rolling twelve months are presented in the diagram below.



Revenues during the third quarter increased to SEK 75.8 (52.7) million, an increase of 44.0 percent compared with the same period last year. Operating profit increased to SEK 30.0 (22.2) million and the operating margin was 39.5 (42.1) percent.

Revenues and operating profit by quarter are portrayed below:



Growth during the third quarter was the result of continued market growth despite financial unease in the world economy. Net Entertainment's revenue increase compared with the corresponding period last year is

due to a combination of existing customers' growth and revenues from the launch of new customers. Four new customers' casinos were launched during the quarter, which further increased the revenue base.

Royalty revenues from CasinoModule™ were positively affected by higher volumes during the last twelve months compared with the same period last year, a development that continued throughout the third quarter of 2009. However, the higher volumes have also meant a somewhat lower average price since the customers have staggered pricing systems whereby a higher volume generates a lower price. At the same time the average revenue per game transaction is lower. The royalty levels for each step remained stable throughout the quarter. In Euros, which is the main invoicing currency, royalty revenues increased 28 percent. Fluctuations in exchange rates had a positive effect on Net Entertainment's revenue growth in 2008 and 2009 due to the weakened Swedish krona. However since the second quarter 2009 the krona has strengthened. Approximately 22 percent of increased revenue in the third quarter, compared to the same period last year, was attributable to exchange rate effects. By far the largest share of revenue growth compared to the corresponding period last year is thus attributable to higher volumes.

Revenues for the third quarter increased by 8.2 percent compared to the previous quarter. The strengthened Swedish currency in relation to the Euro during the third quarter combined with the seasonal effects during July and August had a negative impact on revenues compared to the previous quarter. In Euros, revenues increased 11.6 percent. The number of gaming transactions continues to grow and amounted to over 1 billion transactions during the third quarter which is an increase of approximately 16 percent compared to previous quarter.

Operating profit for the third quarter increased by 35.2 percent compared with the same period last year. Operating expenses were higher than last year due to the Company's increased rate of development to ensure a market-leading position and to broaden the product portfolio. The costs also increased by the non-recurring costs related to the IT projects and the delivery and launch of CasinoCafé™ previously announced. These costs amounted to SEK 2 million during the third quarter. The increased development pace is enabled through staff recruitments and external consultants in Stockholm and out-sourced development in the Ukraine and India. This has also resulted in an increased volume of intangible assets being capitalised. The organisational improvement measures that have been implemented as a natural step in the Company's development and expansion, especially within IT operations and Group management, have also led to an increased cost structure. Through a strong focus on recruitment, consultants have been replaced by own personnel which is reflected in the personnel costs for the quarter.

The financial net, that amounted to SEK -8.9 (0.1) million for the third quarter and -3.1 (-0.3) for the nine-month period, consists of the return on cash and cash equivalents and exchange rate affect on cash and cash equivalents and financial receivables and liabilities. The magnitude of the return is negatively affected by the low interest rate level. During the third quarter the parent company received dividend from subsidiaries, a dividend that was anticipated in the accounts as of December 31, 2008. The settlement of the dividend has led to a replacement of unrealised foreign exchange profits in the parent company, which were reported earlier this year, by dividend at a higher amount than anticipated. The dividend is being eliminated in the consolidated accounts and is thus not included in the consolidated income statement, as opposed to the currency gains and losses.

CASH AND CASH EQUIVALENTS, FINANCING AND FINANCIAL POSITION

The Group's cash flow from operating activities amounted to SEK 120.7 (63.0) million for the nine-month period. Cash and cash equivalents were affected by the pay-out of a jackpot winning in June amounting to SEK -47.3 million with a corresponding decrease in other liabilities. In the amount for tax received/paid SEK 7.1 million is the refund received for previously paid income tax included. Cash flow from investing activities amounted to SEK -40.7 (-12.9) million. Cash flow from financing activities amounted to SEK -45.3 (-29.7) million and is related to the transfer of SEK 49.4 million to the shareholders in accordance with the resolution by the Annual General Meeting on April 29, 2009 of the redemption of shares, and the premiums received for issued share option rights acquired by employees in the stock option program that was resolved by the Annual General Meeting. At the end of the period, consolidated cash and cash equivalents amounted to SEK 96.7 (46.7) million, of which SEK 40.1 (4.9) million refers to funds held on behalf of licensees. The Group's strong liquidity is attributed to the large cash flow generated by operating activities.

The Group had an effective tax rate of 1.4% (10.7) during the third quarter and for the nine-month period to 8.6 (8.0) percent. The Group's effective tax rate is primarily affected by the distribution of profit between Sweden and the countries in which the Group conducts operations and can vary from one reporting period to the next. Since the taxable profit in Sweden for the period is lower than previous quarters in 2008 as well as for 2009 the tax expense for the third quarter is low. The tax rate for the full year is expected to be consistent with previous years.

CAPITAL INVESTMENTS

The Group's capitalisation of development costs such as intangible assets amounted to SEK -23.3 (-11.5) million during the nine-month period and investments in property, plant, and equipment amounted to SEK -17.4 (-1.5) million.

Capitalised development costs increased primarily as a result of greater activity in this area and the type of work being carried out, since not all costs meet the IAS 38 requirements for capitalisation. Major projects currently being capitalized is related to CasinoCafé™ during the first quarter and Multi Currency, a system for simultaneous handling of several currencies in CasinoModule™.

Fixed asset investments are primarily servers, other computer equipment, consulting costs and other costs directly attributable to the completion of the assets, furniture, fixtures and equipment in the Company's new and larger office with admission in October.

PERSONNEL AND ORGANISATION

At the end of the period, there were 121 (74) employees. Including consultants, Net Entertainment employed 188 (91) people.

PARENT COMPANY

The parent company's revenues for the quarter were SEK 44.6 million compared with SEK 28.4 million last year. Corresponding figures for the nine-month period amounted to SEK 135.3 million compared to SEK 79.3 million. Operating profit was SEK 3.9 (4.2) million and for the nine-month period SEK 11.2 (6.1) million. Profit after tax for the third quarter was SEK 3.5 (3.2) million and for the nine-month period SEK 13.1 (4.3) million.

Revenues in the parent company come from services provided to the subsidiaries. No development expenses are capitalised in the parent company as projects are ordered and owned by the subsidiaries in Malta. The original technologies are still owned by the parent company and generate royalties.

Cash and cash equivalents in the parent company at the end of the period amounted to SEK 24.5 (9.0) million.

INCENTIVE PROGRAM

The Annual General Meeting April 29, 2009 resolved to introduce a long-term incentive program intended for management and key employees within Net Entertainment. The resolution entailed the issue of a maximum of 760,000 share option rights to personnel with permanent employment within Net Entertainment to subscribe for an equal amount of shares in Net Entertainment NE AB.

At the end of report period 586,225 share option rights had been subscribed for, corresponding to 86 percent of the total offer. The share option rights were issued to market value determined to SEK 7.1 which generated SEK 4.2 million to equity for the group. The strike price for the shares amounted to SEK 71.70 which represents 130 percent of the average share price during the period May 12-26, 2009. Subscription of shares can be made during the period May 15 to July 15, 2012. An additional 43,000 share option rights are held by the wholly owned subsidiary Mobile Entertainment ME AB, intended for ongoing and future recruitment. The subscription terms for these share option rights are the same as for the remaining and will be issued at market value.

At the end of the third quarter the total outstanding share option rights amounted to 629,225, corresponding to the same number of shares. In the case of full subscription of these share option rights the parent company's equity will increase by SEK 45.1 million.

To stimulate participation in the program the company has resolved to offer a loyalty compensation which will be paid out no later than June 15, 2012 to participants who are still employed at the date of payment and have not resigned. The compensation can amount to a maximum of 50 percent of paid premium for the share option rights net after tax.

EVENTS AFTER THE END OF THE PERIOD

No significant events to report have occurred after the end of the period.

ACCOUNTING POLICIES

PREPARATION OF THE REPORT

Net Entertainment prepares its financial statements in accordance with the International Financial Reporting Standards (IFRS) as approved by the European Union. This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting. The parent company uses the same accounting principles as the Group, with the addition of the Swedish Financial Reporting Board's recommendation RFR 2.1, Accounting for Legal Entities. The same accounting and valuation principles have been used as in the 2008 annual report. For further information on the principles, please refer to the annual report.

On January 1, 2009, the Group began applying IAS 1 (Amendment) Presentation of Financial Statements, which is one of the new or revised standards that came into effect on December 31, 2008 and is relevant to the Group's operations. This revision means that components that have previously been recognised directly in shareholders' equity are now included in a comprehensive income statement, a statement of total comprehensive income. This has affected the presentation of the Group's financial statements. Another change is the use of the new titles for the statements. Although this is not mandatory, Net Entertainment has decided to use the old titles.

The potential shares the issue of the share option rights are considered, when calculating the number of shares and earnings per share after dilution, to the extent they affect dilution in accordance with IAS 33 Earnings per share. As the share price is currently below the strike price the potential shares have no dilutive effect and are therefore not included in the number of shares after dilution.

RISKS AND UNCERTAINTIES

Net Entertainment's operations are exposed to certain risks that could have a varying impact on earnings or its financial position. These can be divided into industry, operational, and financial risks. The management's general view of the risks that may 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 2008 Annual Report, pages 43-46 and page 70.

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 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 legislative changes. Net Entertainment has a Class 4 license on Malta, which means that the Group is permitted to supply its customers with systems and certain associated services. 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 and CasinoModule™ has been adapted to follow the organisation's guidelines.

In December 2008, the gaming commission appointed by the Swedish government to propose long-term tenable Swedish gaming regulations presented its report. If a legislative proposal is developed from this report, it will come into force in January 2011. However, it is very uncertain whether the findings of the report will be used to develop a proposal. The success of this legislative proposal is highly uncertain following the criticism of the commission's report and the fact that there are about 15 cases currently being examined by the European Court of Justice. If the gaming legislation were to change, the operators' (Net

Entertainment's customers) response to the changes will determine what, if any, effect the change will have on Net Entertainment.

In July 2009 a new legislation took effect in Russia in regards to gambling operations. Net Entertainments agreement with Delta Invest is deemed not to be affected by the new legislation. According to our partner the legislation will not affect their operation negatively to a larger extent.

Other operational risks include the Group's dependency on access to qualified employees, maintaining larger customer contracts and protecting internally developed products, intellectual property and contracts. The Group's competitors and general market fluctuations naturally also affect the company's situation.

FINANCIAL RISKS AND TAXES

The Group's results are exposed to changes in exchange rates as the majority of its sales are in Euro, and most costs (transaction exposure) are in Swedish kronor. Profit and equity are also affected by changes in exchange rates when foreign subsidiaries' profits, assets and liabilities are translated to SEK (translation exposure). The Group does not hedge its exposure to currency fluctuations.

The Group's effective tax rate is primarily affected by the distribution of profit between Sweden and the countries in which the Group conducts operations. Extensive assessments are required in order to establish the provisions for income tax. There are many transactions and calculations where the final tax is uncertain at the time when the transactions and calculations are carried out.

The provision of the company's services from Malta is exempt from VAT. However, the relevant authority's interpretation of the applicable Maltese VAT regulations relating to the company's liability to Malta VAT on services purchased was revised in 2007 and 2008 and may come to affect Net Entertainment Malta's purchases from Net Entertainment NE AB (see note 20). It is currently not possible to determine conclusively the extent to which the changed regulatory interpretation will affect costs. Net Entertainment has reported and in 2009 paid to the Maltese tax authorities the VAT amounts that are deemed correct and reasonable by the company considering the current uncertainty. However, the amounts may be insufficient if the Maltese tax authority interprets the VAT regulations more restrictively than Net Entertainment currently assesses and deems as correct. Net Entertainment is also taking measures to reduce the risk of additional VAT in the future.

NOMINATING COMMITTEE

In accordance with the principles resolved by the Annual General Meeting 2009 for appointment of nominating committee, Per Hamberg (appointed by the Hamberg family) and Lena Apler (Provobis Invest AB) and Emil Sunvisson (the Kling family) have been appointed to, together with the Chairman of the Board of Directors Rolf Blom, form nominating committee for the Annual General Meeting 2010. Shareholders can submit proposals to the nominating committee at: Nominating Committee, Net Entertainment NE AB, Luntmakargatan 18, 111 37 Stockholm, Sweden and nomination@netent.com. The nominating committee's proposal will be published at the latest in connection with the notice for the Annual General Meeting. The term of office of the nominating committee runs until a new nominating committee has been appointed in accordance with the resolution on appointment of the nominating committee by the Annual General Meeting 2010.

ANNUAL GENERAL MEETING

The Annual General Meeting will be held in Stockholm on April 14, 2010 at 4 pm.

FINANCIAL INFORMATION

Net Entertainment intends to distribute financial reports and statements on the dates below:

Earnings report 2009 and quarterly report for the fourth quarter	5 February 2010
Annual general meeting	14 April 2010
Interim report January - March 2010	29 April 2010
Interim report April – June 2010	26 August 2010
Interim report July – September 2010	28 October 2010
Earnings report 2010 and quarterly report for the fourth quarter	10 February 2011

Financial reports, press releases and other information are published on Net Entertainment's website www.netent.com. Financial reports are available from the date of publication.

The Board of Directors and CEO certify that the interim report gives a true and fair view of the operations, position and results of the Group and parent company and describes principal risks and uncertainties facing the company and Group companies.

Stockholm 28 October 2009

Rolf Blom
Chairman of the Board

Vigo Carlund

Fredrik Erbing

Niclas Eriksson

Mikael Gottschlich

Peter Hamberg

Johan Öhman
President and CEO

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LEGAL DISCLAIMER

Certain statements in this interim report are forward-looking and the actual outcomes may be materially different. In addition to the factors discussed, other factors could have an impact on actual outcomes. Such factors include developments for customers, competitors, the impact of economic and market conditions, national and international legislation and regulations, fiscal regulations, the effectiveness of copyright for computer systems, technological developments, fluctuations in exchange rates and interest rates, and political risks.

PUBLICATION

Net Entertainment NE AB (publ) is required to publicly disclose the information in this report under the Securities Market Act and/or Financial Instruments Trading Act. The information was submitted for publication on 29 October 2009 at 07.30 am.

AUDITOR'S REPORT

We have reviewed the interim report for Net Entertainment NE AB (publ) for the period January 1, 2009, to September 30, 2009. The board of directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SÖG) 2410 "Review of Interim Report Performed by the Independent Auditor of the entity" issued by FARSR. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is different focus and is substantially less in scope than an audit conducted in accordance with the Standards on Auditing in Sweden (RS) and other generally accepted auditing practices in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would make us 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 our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm October 28, 2009

Deloitte AB

Therese Kjellberg
Authorized public accountant

CONSOLIDATED INCOME STATEMENTS

Income statement	Jul-Sep 2009	Jul-Sep 2008	Jan-Sep 2009	Jan-Sep 2008	Jan-Dec 2008
Revenues	75 733	52 550	214 401	143 035	204 602
Other revenues	111	103	234	550	971
Total operating revenues	75 844	52 653	214 635	143 585	205 573
Personnel expenses	-17 916	-11 960	-49 781	-37 117	-52 630
Depreciation and amortisation	-5 279	-3 261	-16 489	-10 353	-15 513
Other operating expenses	-22 693	-15 282	-63 555	-38 763	-49 627
Total operating expenses	-45 888	-30 503	-129 825	-86 233	-117 770
Operating profit	29 956	22 150	84 810	57 352	87 803
Financial items	-8 866	-117	-3 070	-294	-1 850
Profit before tax	21 090	22 033	81 740	57 058	85 953
Tax on the period's profit	-301	-2 124	-6 474	-4 215	-5 986
Profit for the period	20 789	19 909	75 266	52 843	79 967
<i>Earnings per share before dilution (SEK)</i>	<i>0.53</i>	<i>0.50</i>	<i>1.90</i>	<i>1.34</i>	<i>2.02</i>
<i>Earnings per share after dilution (SEK)</i>	<i>0.53</i>	<i>0.50</i>	<i>1.90</i>	<i>1.34</i>	<i>2.02</i>
<i>Number of shares at period's end</i>	<i>39 553 716</i>	<i>39 553 716</i>	<i>39 553 716</i>	<i>39 553 716</i>	<i>39 553 716</i>
<i>Average number of shares</i>	<i>39 553 716</i>	<i>39 553 716</i>	<i>39 553 716</i>	<i>39 553 716</i>	<i>39 553 716</i>
Effective tax rate	1.4%	10.7%	8.6%	8.0%	7.5%
Profit for the period attributable to parent company shareholders	20 789	19 909	75 266	52 843	79 967
Statement of total income					
Profit for the period	20 789	19 909	75 266	52 843	79 967
Other total income					
Exchange differences arising from the translation of foreign operations	1 709	2 085	-6 056	2 595	13 046
Cash flow hedges	-	-355	-	-635	-
Tax related to components regarding other total income	-	48	-	72	-
Sum of other total income for the period, net after tax	1 709	1 778	-6 056	2 032	13 046
Total income for the period	22 498	21 687	69 210	54 875	93 013

CONSOLIDATED BALANCE SHEETS

ASSETS	2009-09-30	2008-09-30	2008-12-31
Intangible assets	41 088	26 458	31 409
Property, plant, and equipment	22 288	5 653	10 788
Other long-term receivables	5	5	5
Total non-current assets	63 381	32 116	42 202
Accounts receivable	5 639	819	11 254
Prepaid expenses and accrued revenues	47 076	21 572	30 040
Current tax recoverable	-	11 801	9 641
Other receivables	4 216	1 734	3 744
Cash and cash equivalents*	96 675	46 687	65 132
Total current assets	153 606	82 613	119 811
TOTAL ASSETS	216 987	114 729	162 013
EQUITY AND LIABILITIES	2009-09-30	2008-09-30	2008-12-31
Share capital	1 191	1 191	1 191
Other capital contributed	38 362	34 200	34 200
Reserves	7 792	3 396	13 847
Retained earnings incl. profit for the period	93 079	39 568	67 255
Total equity	140 424	78 355	116 493
Deferred tax liabilities	1 569	1 943	1 676
Total non-current liabilities	1 569	1 943	1 676
Accounts payable	12 325	4 009	9 541
Current tax liabilities	3 966	-	-
Other liabilities	46 397	8 584	17 147
Provisions	-	2 448	-
Accrued expenses and prepaid revenues	12 306	19 390	17 156
Total current liabilities	74 994	34 431	43 844
TOTAL EQUITY AND LIABILITIES	216 987	114 729	162 013
*Closing cash and cash equivalents include funds held on behalf of licensees with	40 111	4 868	12 152

CONSOLIDATED CHANGES IN EQUITY

2008	Share capital	Other capital contributed	Reserves	Retained earnings	Total equity
Opening equity 2008-01-01	1 191	34 200	801	16 953	53 145
Total income for the period Jan-Mar	-	-	-156	15 416	15 260
Closing equity 2008-03-31	1 191	34 200	645	32 369	68 405
Dividend	-	-	-	-29 665	-29 665
Total income for the period Apr-Jun	-	-	410	17 518	17 928
Closing equity 2008-06-30	1 191	34 200	1 055	20 222	56 668
Total income for the period Jul-Sep	-	-	1 778	19 909	21 687
Closing equity 2008-09-30	1 191	34 200	2 833	40 131	78 355
2009					
Opening equity 2009-01-01	1 191	34 200	13 847	67 255	116 493
Total income for the period Jan-Mar	-	-	-7 074	31 888	24 814
Closing equity 2009-03-31	1 191	34 200	6 773	99 143	141 307
Transfer to the shareholders	-	-	-	-49 442	-49 442
Premium received for share option rights	-	3 473	-	-	3 473
Total income for the period Apr-Jun	-	-	-690	22 589	21 899
Closing equity 2009-06-30	1 191	37 673	6 083	72 290	117 237
Premium received for share option rights	-	688	-	-	688
Total income for the period Jul-Sep	-	-	1 709	20 789	22 498
Closing equity 2009-09-30	1 191	38 362	7 792	93 079	140 424

There is no minority interest in the Group. All equity is therefore attributed to parent company shareholders.

CONSOLIDATED CASH FLOW STATEMENTS

	Jan-Sep 2009	Jan-Sep 2008	Jan-Dec 2008
Operating profit	84 810	57 352	87 803
<i>Adjustments for items not included in cash flow:</i>			
Depreciation and amortisation	15 361	10 353	15 513
Other	-2 124	209	2 761
Interest received/paid	212	1 363	1 192
Tax received/paid	7 132	-24 925	-24 988
Cash flows from operating activities before changes in working capital	105 391	44 352	82 281
Changes in working capital	15 290	18 613	6 792
Cash flows from operating activities	120 681	62 965	89 073
Capitalised intangible assets	-23 315	-11 498	-16 867
Acquisition of property, plant, and equipment	-17 390	-1 454	-6 560
Divestment of other financial assets	-	13	13
Cash flows from investing activities	-40 705	-12 939	-23 414
Transfer to shareholders	-49 442	-29 665	-29 665
Received premium for share option rights	4 162	-	-
Cash flows from financing activities	-45 280	-29 665	-29 665
Cash flow for the period	34 696	20 361	35 994
Cash and liquid assets at beginning of period	65 132	25 915	25 915
Exchange rate differences in cash and cash equivalents	-3 153	411	3 223
Cash and liquid assets at end of period*	96 675	46 687	65 132
*Closing cash and cash equivalents include funds held on behalf of licensees with	40 111	4 868	12 152

CONSOLIDATED KEY DATA AND FIGURES

	Jul-Sep 2009	Jul-Sep 2008	Jan-Sep 2009	Jan-Sep 2008	Jan-Dec 2008
Revenues (SEK thousands)	75 844	52 653	214 635	143 585	205 573
Operating profit (SEK thousands)	29 956	22 150	84 810	57 352	87 803
Profit before tax (SEK thousands)	21 090	22 033	81 740	57 058	85 953
Profit for the period (SEK thousands)	20 789	19 909	75 266	52 843	79 967
Operating margin (percent)	39.5	42.1	39.5	39.9	42.7
Profit margin (percent)	27.8	41.8	38.1	39.7	41.8
Return on investment in shareholders' equity (percent)	16.2	29.5	58.6	80.4	94.3
Equity/assets ratio (percent)	64.7	68.3	64.7	68.3	71.9
Quick ratio (percent)	204.8	239.9	204.8	239.9	273.3
Net interest-bearing liabilities (SEK thousands)	-96 675	-46 687	-96 675	-46 687	-65 132
Net debt/equity ratio (multiple)	-0.7	-0.6	-0.7	-0.6	-0.6
Average number of employees	114	72	103	67	70
Employees at period's end	121	77	121	77	85
Employees and consultants at period's end	188	91	188	91	132
Earnings per share	0.53	0.50	1.90	1.34	2.02
Equity per share (SEK)	3.55	1.98	3.55	1.98	2.95
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 the period's end	39 553 716	39 553 716	39 553 716	39 553 716	39 553 716

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

DEFINITIONS

Operating margin - Operating profit in relation to revenues.

Profit margin - Profit before tax items in relation to revenues.

Return on investment on shareholders' equity - Period's profit/loss in relation to 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.

Quick ratio - Current assets in relation to current liabilities, including proposed but not yet adopted dividends.

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

Net debt/equity ratio (multiple) - Net of interest-bearing earnings and liabilities minus financial assets and cash and cash equivalents divided by shareholder's equity.

Average number of employees - The average number of employees during the period.

Number of employees at period-end - The number of employees at the end of the period.

Number of employees and consultants at period-end - The number of employees and consultants at the end of the period.

Earnings per share - Profit for the period divided by the average number of shares outstanding during the period.

Equity per share - Shareholders' equity divided by the number of shares outstanding at the end of the period.

Average number of shares outstanding - The average number of shares outstanding during the period, adjusted for bonus issue and share split.

Number of shares outstanding - The number of shares outstanding, adjusted for bonus issue and share split.

PARENT COMPANY INCOME STATEMENT

	Jul-Sep 2009	Jul-Sep 2008	Jan-Sep 2009	Jan-Sep 2008	Jan-Dec 2008
Operating revenues	44 648	28 392	135 338	79 263	111 254
Other external expenses	-20 002	-8 183	-63 464	-25 838	-42 601
Personnel expenses	-19 064	-13 470	-55 347	-40 328	-57 276
Depreciation and amortisation	-1 647	-2 368	-5 339	-6 798	-8 869
Other operating expenses	-	-200	-	-200	-248
Operating profit	3 935	4 171	11 188	6 099	2 260
Financial items	-1 411	275	4 706	-176	53 354
Profit after financial items	2 524	4 446	15 894	5 923	55 614
Depreciation in excess of plan	-	-	-	-	2 982
Profit before tax	2 524	4 446	15 894	5 923	58 596
Tax on the period's profit	994	-1 244	-2 816	-1 658	-905
Profit for the period	3 518	3 202	13 078	4 265	57 691

PARENT COMPANY BALANCE SHEET

ASSETS	2009-09-30	2008-09-30	2008-12-31
Intangible assets	1 720	6 869	5 212
Property, plant, and equipment	10 807	2 893	4 226
Shares in subsidiary	512	183	183
Other long-term receivables	5	5	5
Total non-current assets	13 044	9 950	9 626
Accounts receivable	729	-	-
Receivables from Group companies	63 845	11 213	61 225
Prepaid expenses and accrued revenues	2 957	1 928	1 972
Current tax recoverable	0	983	985
Other receivables	4 206	1 308	3 744
Cash and cash equivalents	24 467	8 952	14 598
Total current assets	96 204	24 384	82 524
TOTAL ASSETS	109 248	34 334	92 150
EQUITY AND LIABILITIES	2009-09-30	2008-09-30	2008-12-31
Share capital	1 191	1 191	1 191
Statutory reserve	38	38	38
Premium received for share option rights	3 473	-	-
Retained earnings	15 244	6 868	6 995
Profit for the period	13 078	4 265	57 691
Total equity	33 024	12 362	65 915
Untaxed reserves	-	2 982	-
Accounts payable	11 128	3 165	9 078
Liabilities to Group companies	52 323	89	89
Current tax liabilities	215	-	-
Other liabilities	1 491	1 059	1 024
Accrued expenses and prepaid revenues	11 067	14 677	16 044
Total current liabilities	76 224	18 990	26 235
TOTAL EQUITY AND LIABILITIES	109 248	34 334	92 150

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 are divided into four categories: table games, video poker, slot machines, and other games (including scratch cards, keno, etc).

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

MULTIPLAYER GAMES

Net Entertainment has developed a poker game for the Turkish market and a multiplayer blackjack game.

CASINO CAFÉ™

CasinoCafé™ 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.

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

Releasing new products continuously ensures that the licensees are always able to offer an exciting new selection of games.

Two new games are Fortune Teller and Super Eighties.

