

NET ENTERTAINMENT
INTERIM REPORT
JANUARY-MARCH 2010
BETTER GAMES

Net Entertainment

- Global supplier of gaming solutions founded in 1996
- Products
 - CasinoModule™
 - CasinoCafé™
- Customers include some of the largest operators in the world



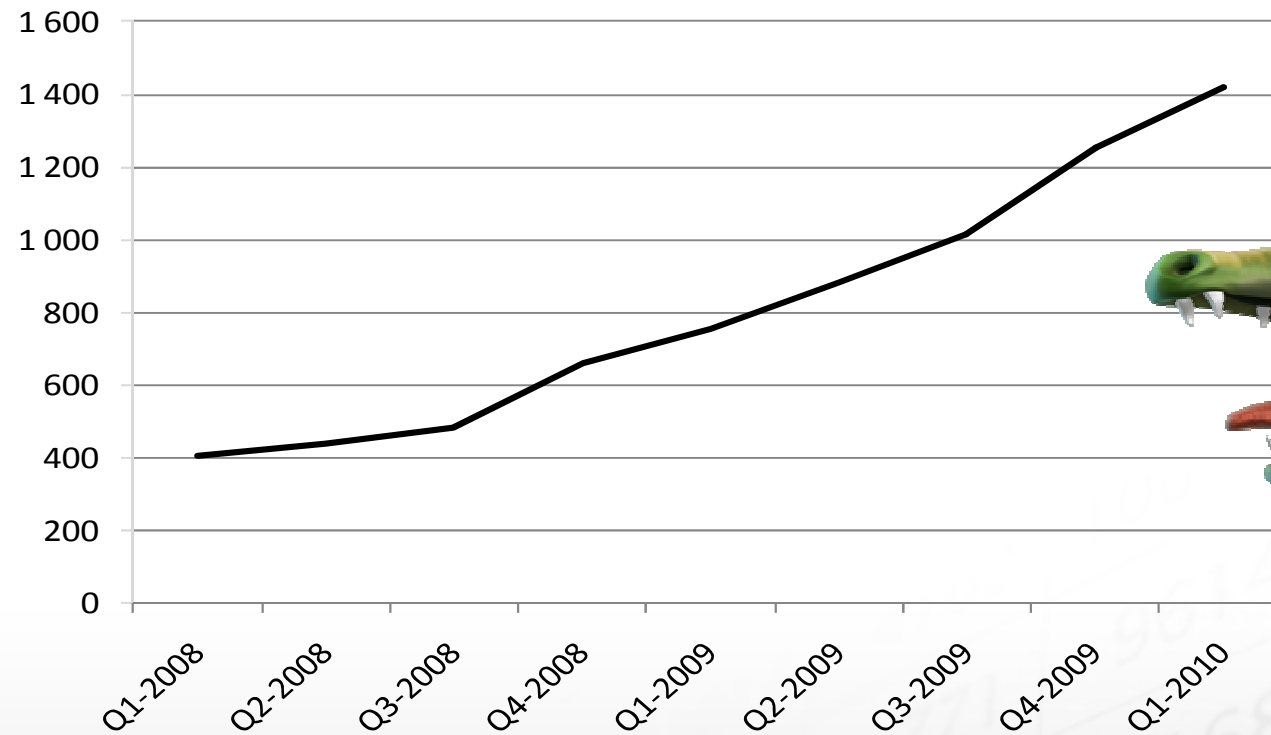
Financial highlights Q1 2010

- Revenues up 28.0% to 87.9 (68.7) MSEK
 - 41% in Euros
- EBIT up 21.0% to 35.7 (29.6) MSEK
- Margin 40.7% (43.0)
- Transfer to shareholders
 - 79 MSEK approved by AGM
 - 2.00 SEK per share



Continued growth in gaming activity

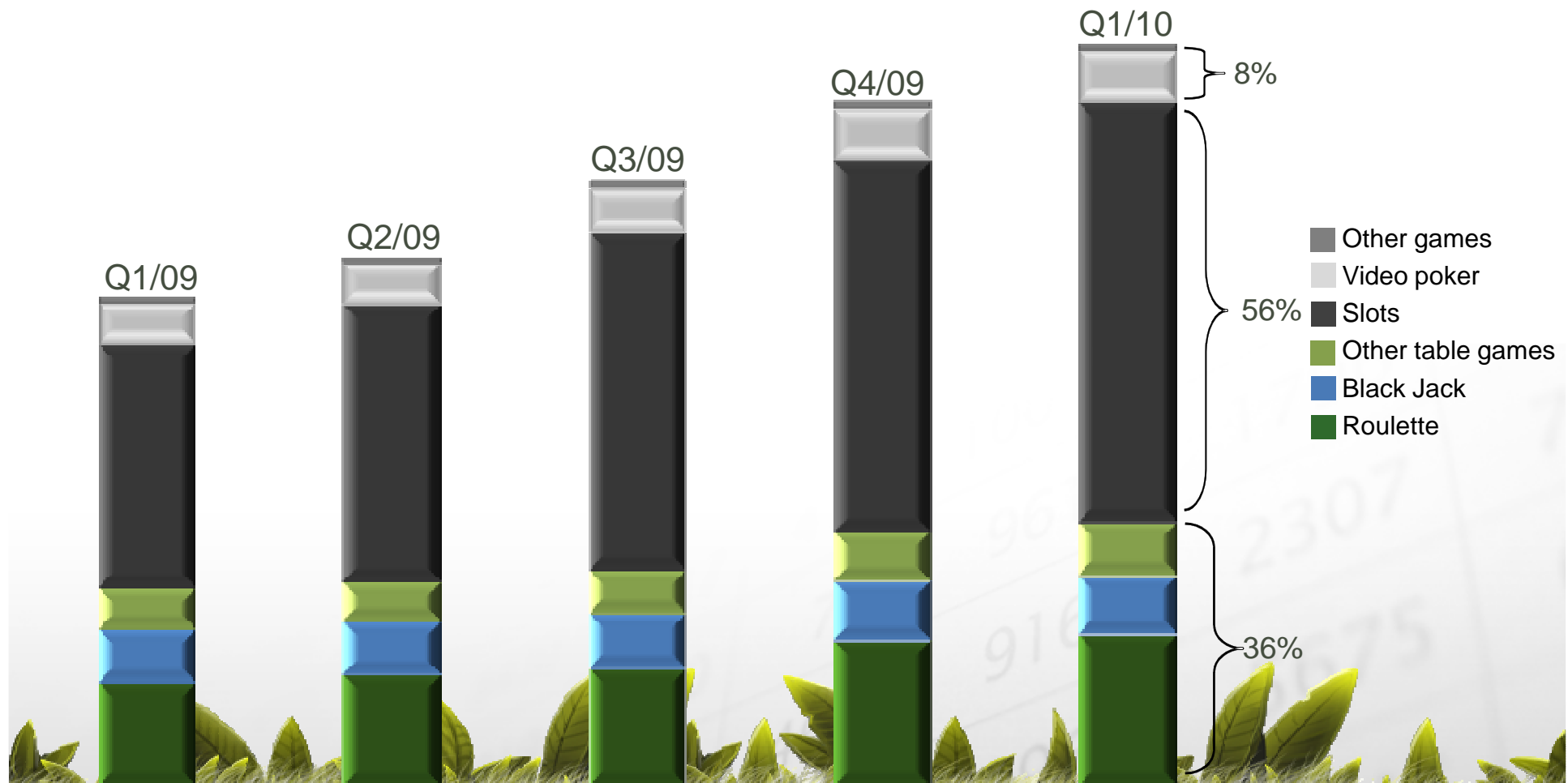
Millions



Game rounds increased 14% to 1.4bn since previous quarter



Gross gaming yield split



Q1 Operational update

- Two new license agreements
 - bwin
 - Bet1128
- Extended cooperation with Bonnier Gaming
- Gonzo's Quest launched
- Seamless Wallet integrations
 - Mini games live by world cup



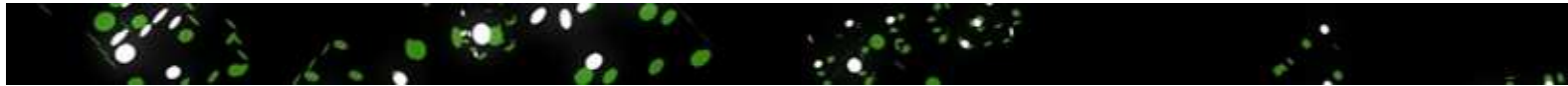
Q1 Operational update

- Operational focus
 - Italian integration
 - Increase capacity
 - Delivery & support
 - Increase product development
- Strengthened organization
 - Workforce of >200
- Outsourcing to India & Ukraine



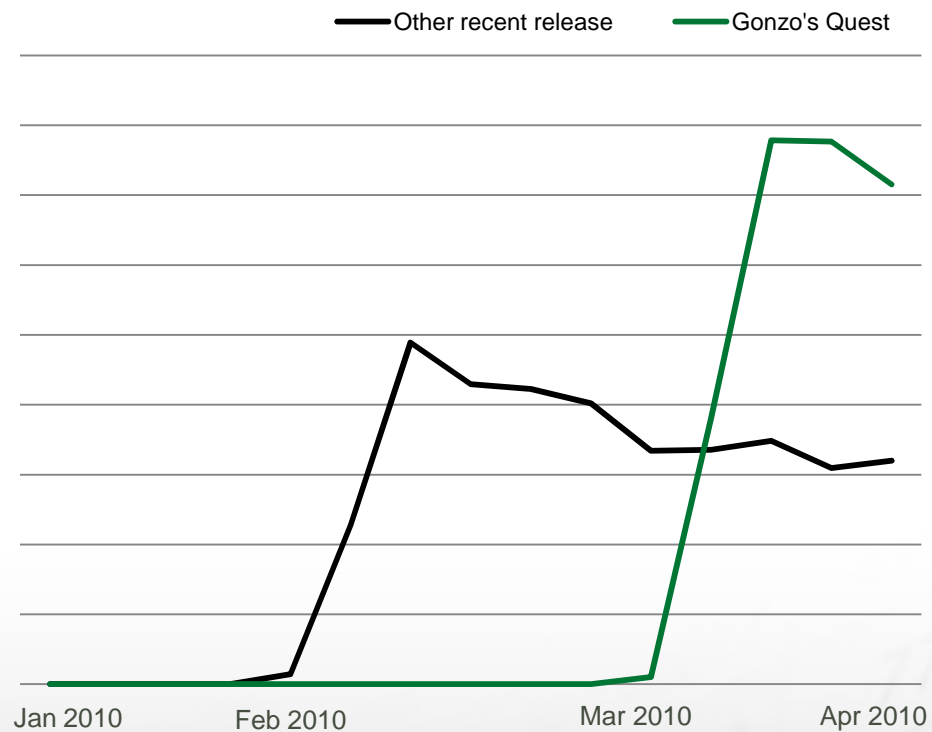
New game releases





Gonzo's Quest

Game rounds



Update Italy

- Market potential
 - Largest gaming market in Europe, all types of gaming
 - Second largest EU online casino market by 2012 (617 MUSD)¹
- Preparations ongoing
 - Development & adaptation
 - Test and verification
 - Close contacts with AAMS
- Signed key incumbents
 - Microgame
 - bwin/Gioco Digitale
- Commercial launch delayed



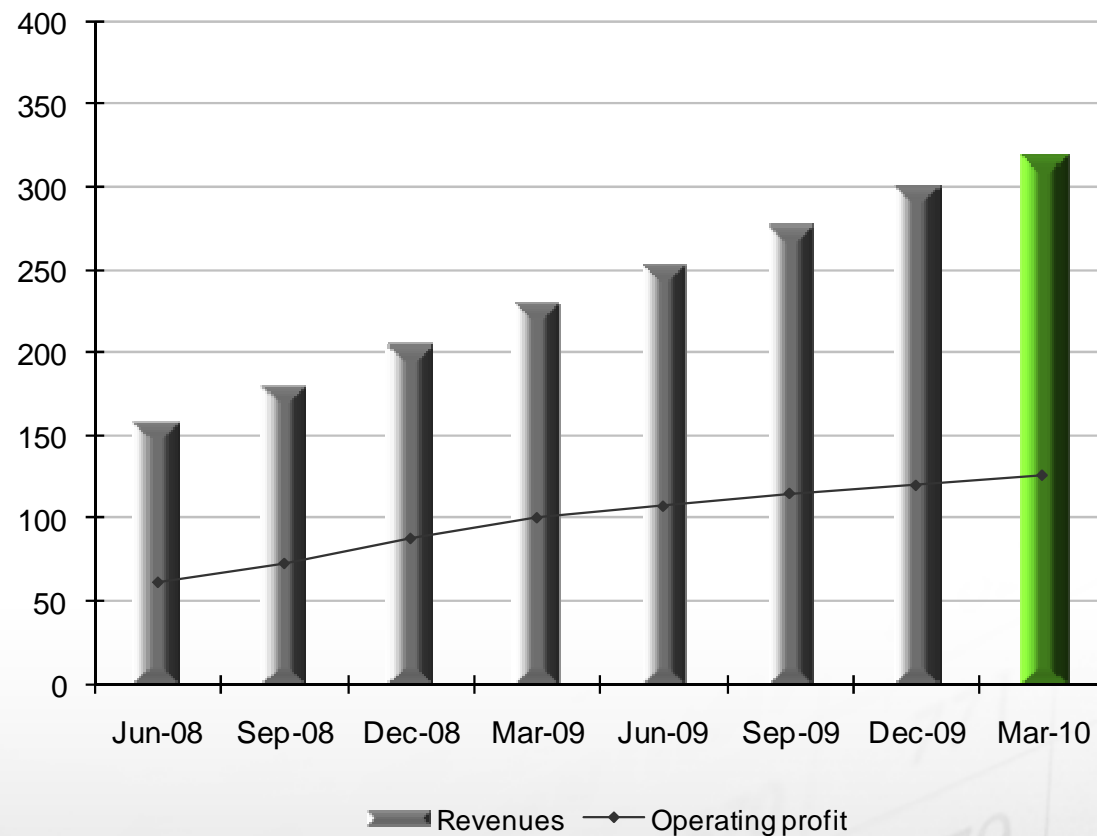
¹Source: H2GC, February 2010

Events after Q1

- Agreement signed with undisclosed European Tier 1 operator
- Betsson renewed agreement for another three years
 - Including download casino
 - Mini games

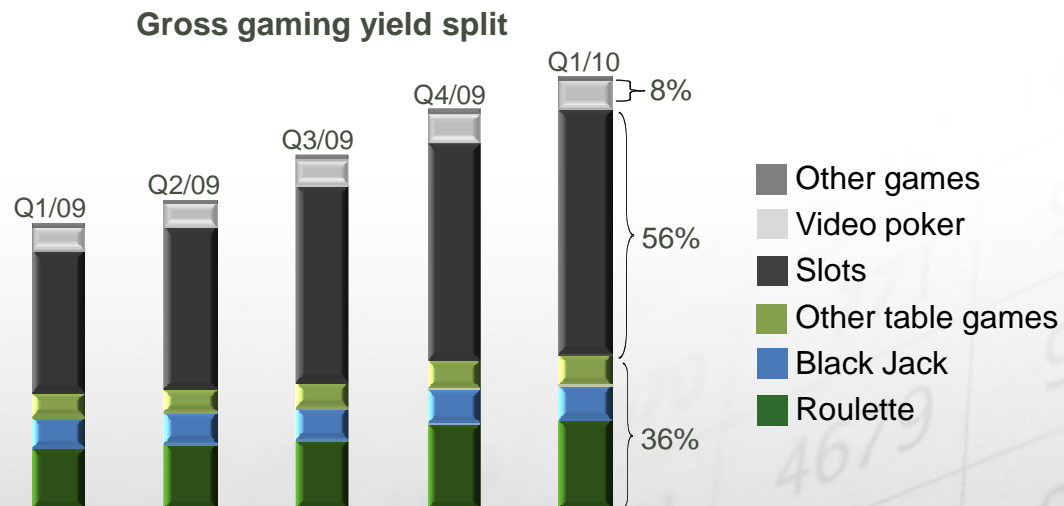
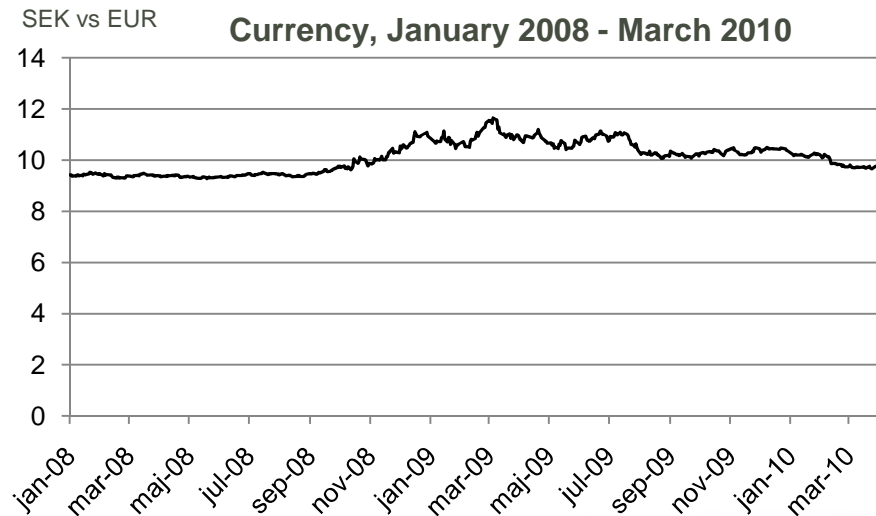
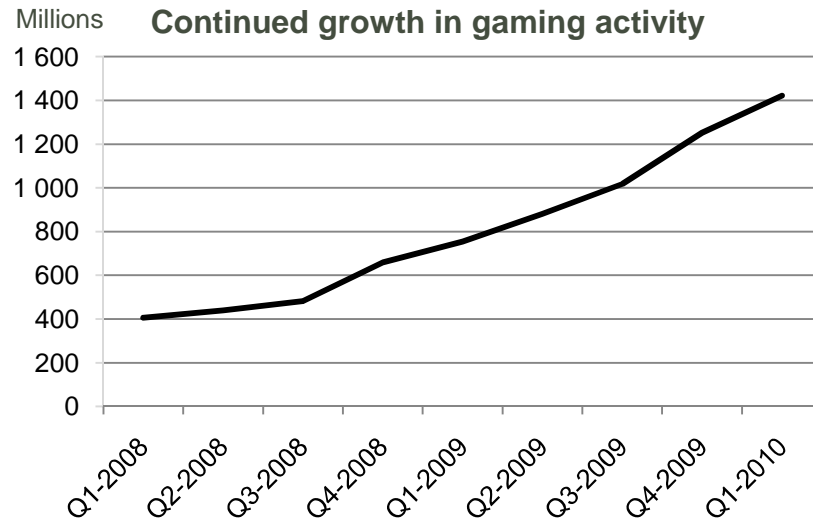
Last Twelve Months – Revenues and EBIT

SEK million

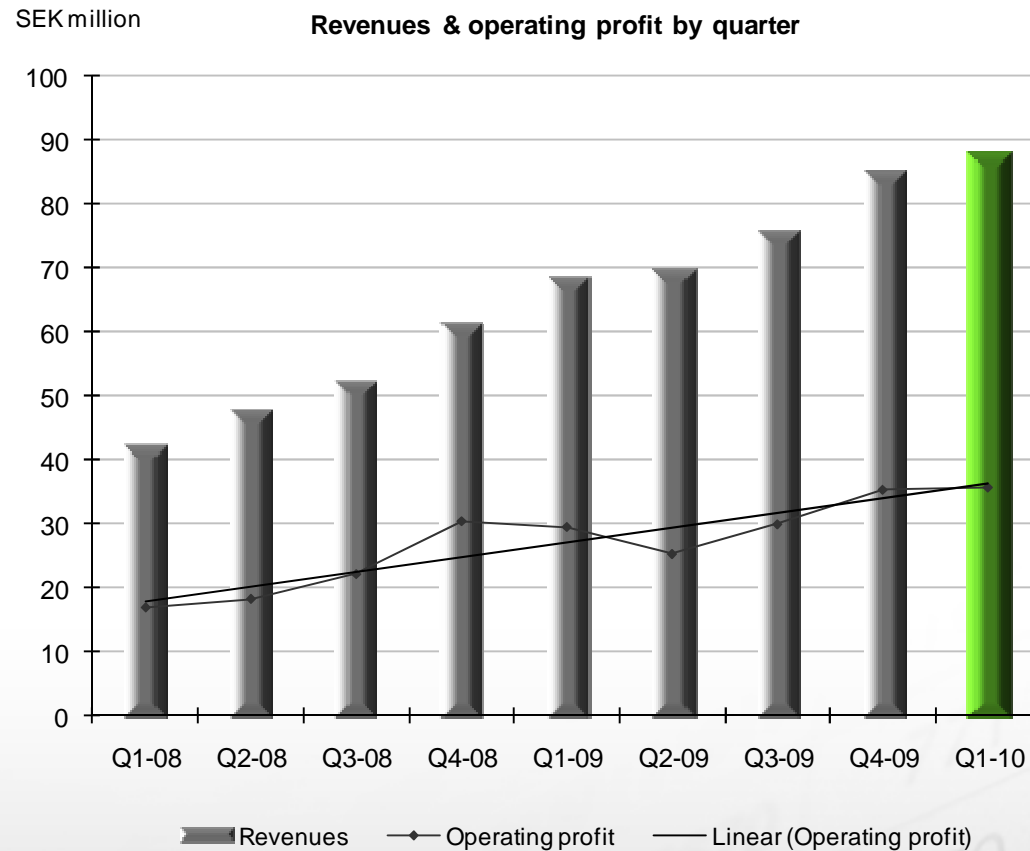


- Positive growth continues
- Average margin of 41.2%
- Volume key revenue growth driver, off-set by strengthened Swedish currency

Volume, currency and price



Quarter on Quarter – Revenues and EBIT



- Revenues increased 28.0% since Q1 2009
 - In Euros, revenues increased 41.0%
- EBIT increased 21.0%
- Margin of 40.7% (43.0%)
- Negative currency development
 - Nine percent stronger Krona compared to Q1 2009

Income Statements

	Jan-Mar 2010	Jan-Mar 2009	Jan-Dec 2009
Revenues	87 935	68 706	300 050
Personnel expenses	-20 894	-15 752	-71 242
Depreciation & amortization	-6 219	-6 046	-22 298
Other operating expense	-25 073	-17 358	-86 328
Total operating expenses	-52 186	-39 156	-179 868
Operating profit	35 749	29 550	120 182
Operating margin	40.7%	43.0%	40.1%
Financial items	-2 301	6 149	-2 966
Profit before tax	33 448	35 699	117 216
Tax	-2 456	-3 811	-9 539
Effective tax rate	7.3%	10.7%	8.1%
Profit for the period	30 992	31 888	107 677
Earnings per share, SEK	0.78	0.81	2.72

Cash flow data

	Jan-Mar 2010	Jan-Mar 2009	Jan-Dec 2009
Cash flows from operating activities	36 550	69 447	150 042
Capitalized intangible assets	-11 418	-8 354	-33 154
Net investment in tangible assets	-4 465	-7 532	-28 982
Cash flows from investing activities	-15 946	-15 886	-62 136
Cash flows from financing activities	-	-	-45 280
Cash flow for the period	20 604	53 695	42 626
Closing cash and cash equivalents*	122 225	118 827	105 009
*Cash and cash equivalents held on behalf of licensees	27 354	39 720	33 216
Jackpot pay-out	40 064	-	99 066
Transfer to shareholders, May	79 107	49 442	49 442

Outlook ahead

- Continued underlying market growth
- Strong order backlog including Expekt, Microgame, bwin/Gioco Digitale and anonymous T1
- Great interest in our company & products
- Football World Cup holds exciting potential



JUNGLE GAMES™

POWERED BY NET ENTERTAINMENT™



PAYTABLE

WIN: 0

BET
80

COINS
49920

LINES

20

LEVEL

4

AUTOPLAY



MAX
BET

COIN VALUE

0.10



Cash: €4992.00

Bet: €8.00

Win: €0.00

12:07



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