



Interim report

January – June 2012

Agenda

- Net Entertainment in brief
- Second quarter highlights
- Financial update
- Product update
- Q&A



Net Entertainment in brief

NETENT

Global B2B Development Company



Online Casino Software



Workforce of 351



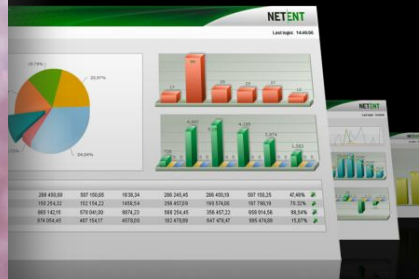
Innovation and technology



Great growth possibilities



Selection of customers



- Regulation
 - Europe & US
 - Complexity
 - Volume increase
 - Increasing barriers to enter
- Demand for quality, stability & availability
 - Players demand better games and more entertainment
 - Operators demand quality, differentiation and stability
 - Social Media
 - Mobile
- Consolidation
 - Among operators and suppliers



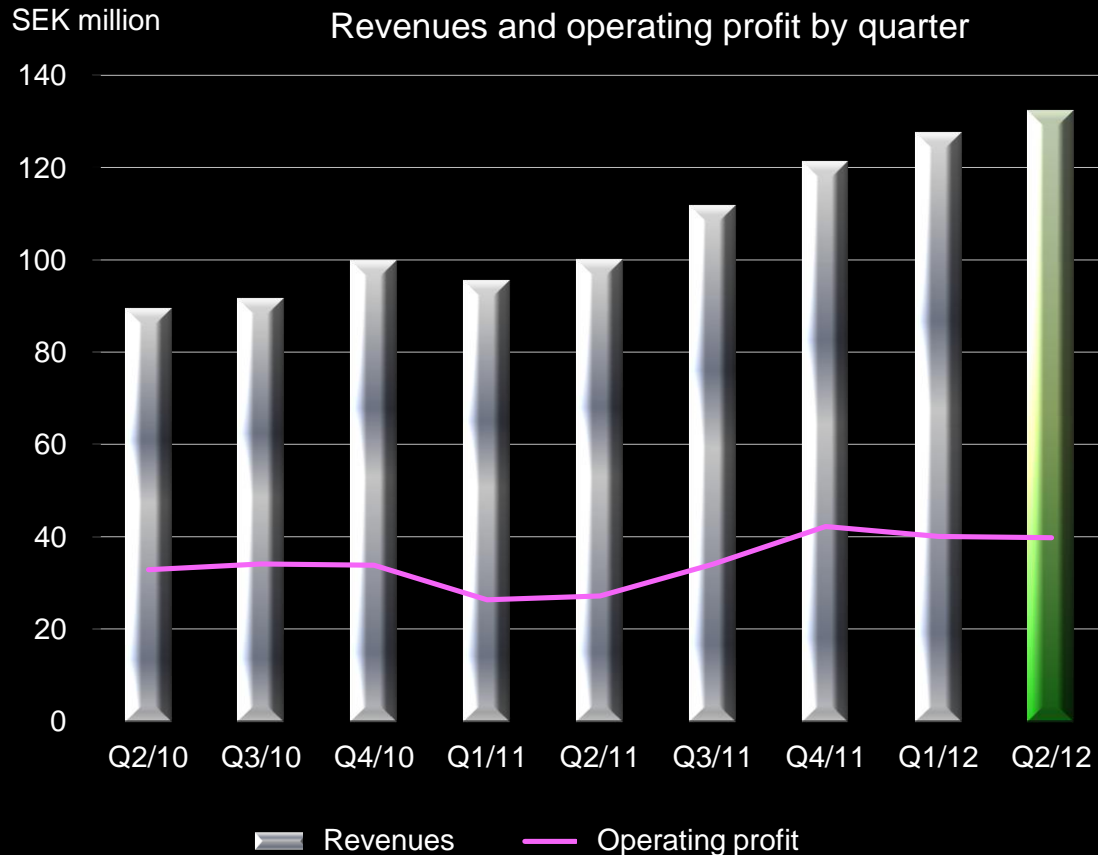
Second quarter highlights

- Revenues reached all time high
 - Revenues up 32% and EBIT up 46% since previous year
- Five new license agreements signed in Q2
 - Of which one with Tier 1 Boylesports
- Two agreements signed with existing customers for Denmark and one for Italy
- Mobile platform now supports Android
 - Two customers live
- Italian authorities AAMS announced opening for slot games in December 2012
- bwin.it now live in Italy

Financial update

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Financial performance Q2 2012



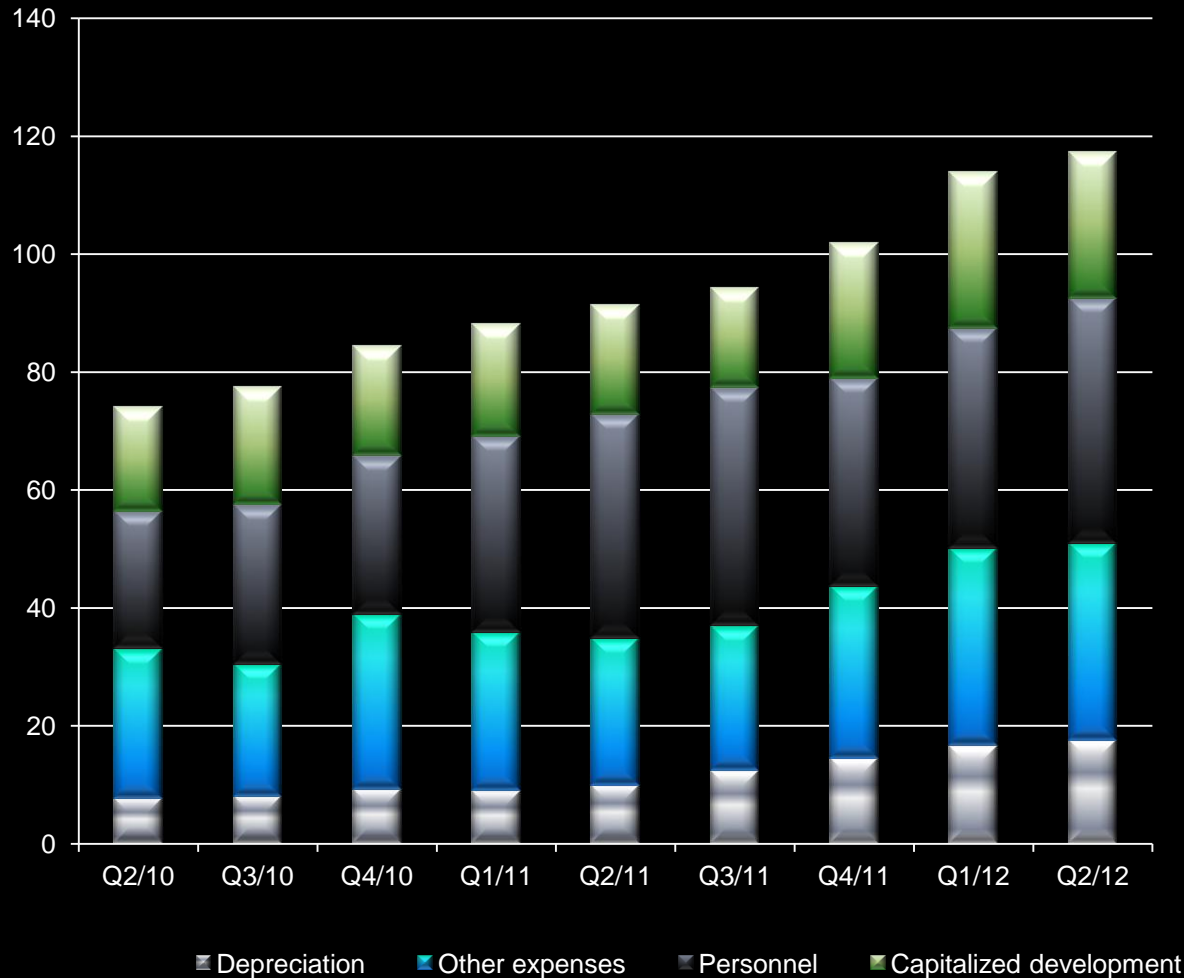
Q2/12 vs Q2/11

- Revenues up 32% to 132.0 (99.9) MSEK
- EBIT up 46% to 39.6 (27.2) MSEK
- Operating margin of 30% (27%)
 - 32% excl. non-recurring cost

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Cost base by quarter

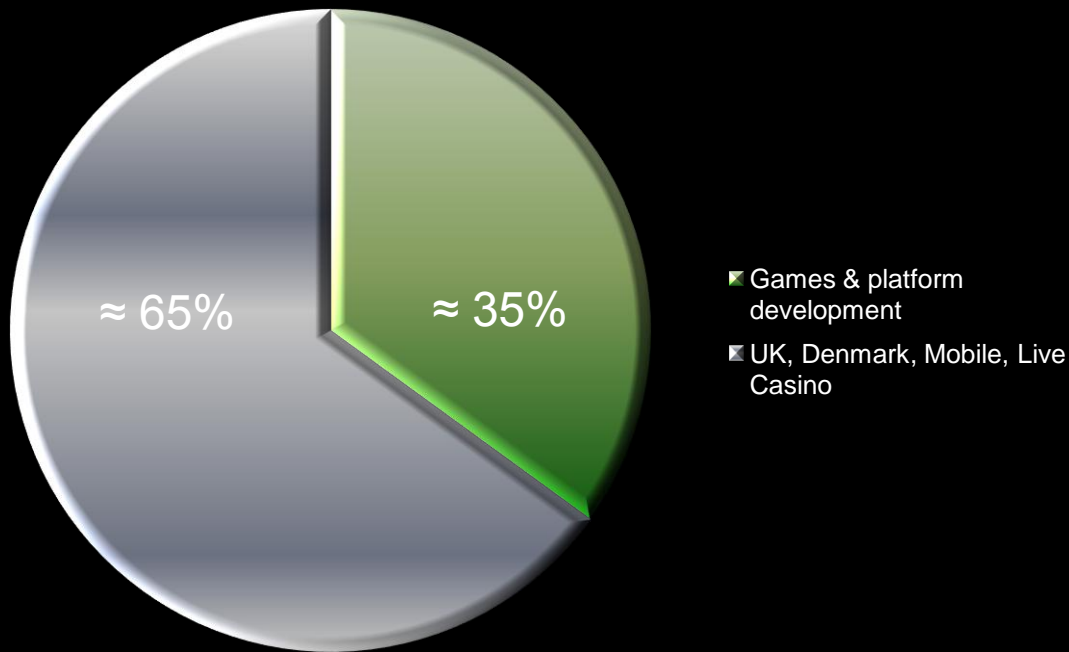
SEK million



- Capitalized development:
 - Decreased due to vacation & non capitalizable projects
- Personnel:
 - One-off costs of 2.5 MSEK
 - Additional headcount
- Other expenses:
 - Unchanged vs Q1 2012
- Depreciation:
 - Mobile, Regulated markets, games & platform development

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Capitalized development split Q2 2012



- UK, Denmark, Mobile and Live Casino represents approximately 65 percent of total capitalized development in Q2
- Investments estimated to develop in line with current levels for the remaining of 2012

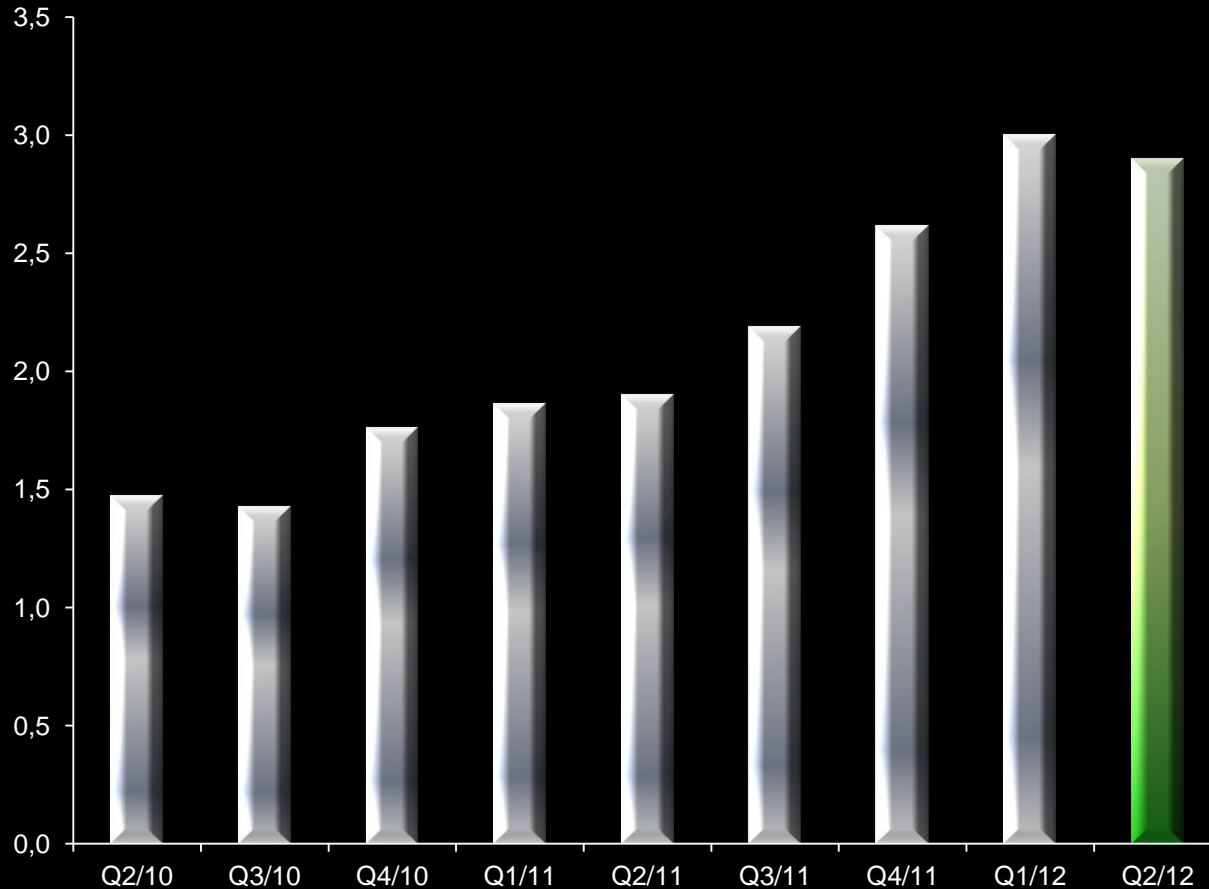
Product update



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Game transactions

Billion

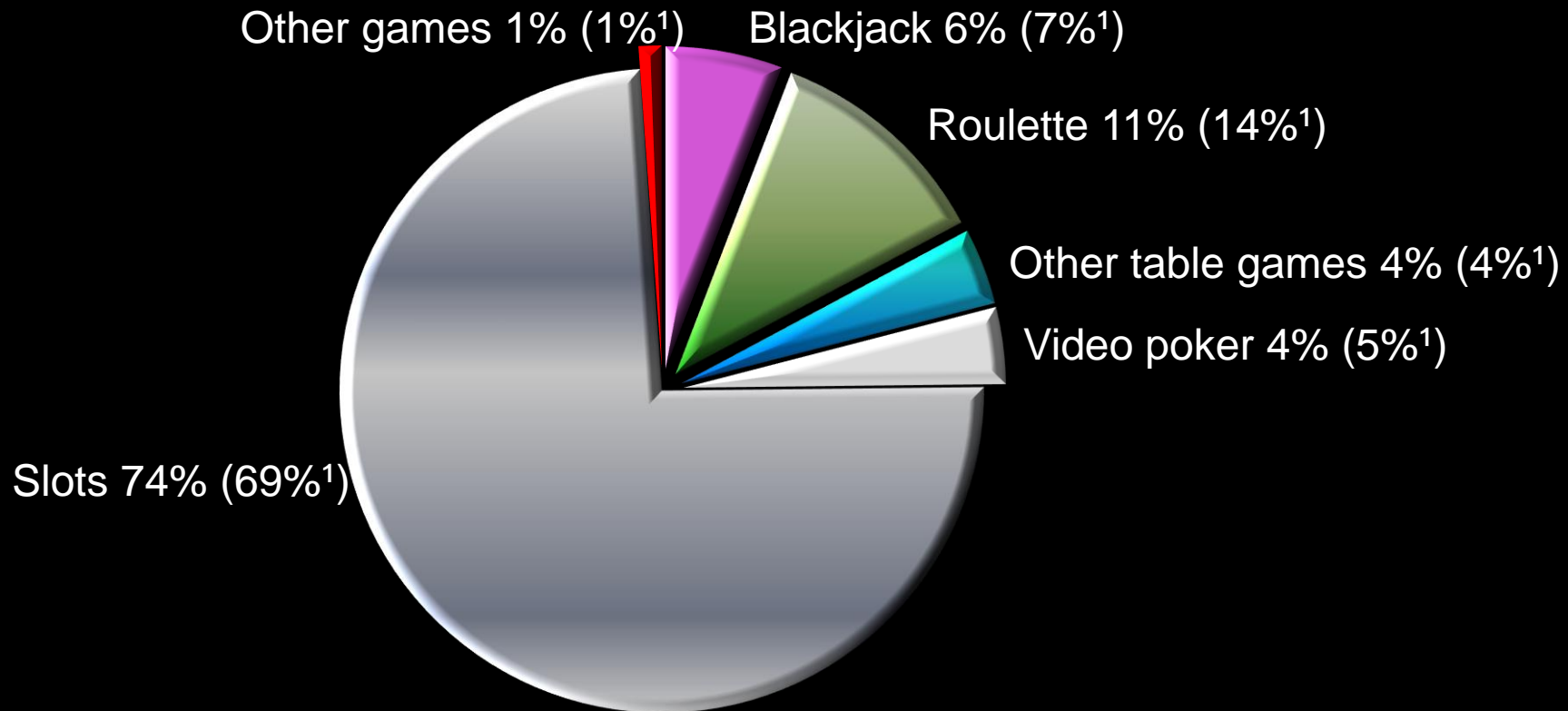


Q2 2012

- 2.9 billion transactions
- 53% growth vs Q2 2011
- 3% decline vs Q1 2012
 - Seasonal effects (June-Aug)
 - Exceptional activity from two games in Q1 normalized in Q2
 - Increase in average bet

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GGY game split Q2 2012



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New in Q2
Scarface



Innovation in RNG casino
Innovation in slots

- UK entry
 - Required development work on schedule i.e. completion H2 2012
 - Market holds high growth potential for Net Entertainment
- Customers
 - Total of 9 new customers yet to go live of which two Tier 1:
 
- Live Casino
 - Development work progressing well and expected to be completed around year-end 2012
 - Addition of studio personnel in third & fourth quarter
- Italy
 - Slots in Italy to go live in December 2012





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Q&A

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