Earnings report
Q4 and FY 2016

February 16, 2017
Agenda

Q4 highlights
2016 summary
Product update
Events after Q4
Outlook
Q&A
Report Highlights
Q4 2016

- 13 new customers signed
- 12 new customers launched
- Retail deals for gaming machines in Italy and UK with Gauselmann and Paddy Power
- Launched games in new regulated markets Portugal and Bulgaria
- Signed agreement to enter Mexico with one of the leading operators, Codere
- Applied for license in British Columbia, Canada
- Revenues +23.9% y-o-y in SEK
- Revenues +18.5% y-o-y in EUR
- EBIT +28.1% y-o-y
- EBIT margin of 39.0% (37.7%)
Game Transactions by Quarter

- 9.5 billion transactions, highest ever
- +15.2% y-o-y
Costs & Investments by Quarter

- **Total costs** +7.2% q-o-q
- **Personnel costs** +9.4%
- **Other costs** +5.5%
- **Investments** +67.5%
Mobile Growth

Mobile share of NetEnt games win

43%
Gamewin Breakdown by Product

- **SLOTS**: 89% (89%)
- **ROULETTE**: 6% (6%)
- **BLACKJACK**: 3% (3%)
- **VIDEO POKER**: 1% (1%)
- **OTHER GAMES**: 1% (1%)

Note: Gamewin split as per Q4, 2016. Previous quarter in parenthesis.
Revenues & Operating Profit

Last 6 Years

- Revenues +28.5% y-o-y
- EBIT +33.4% y-o-y
- EBIT margin of 36.8% (35.5%)
Game Transactions
Last 6 Years

- Nearly 36 billion transactions in 2016
- 68,000 transactions/minute
- +28.9% y-o-y
Free Cash Flow
Last 6 Years

- Free cash flow of 390 SEKm in 2016
- Net cash position of 494 SEKm at 31/12/2016
Cash returns to Shareholders

- Proposed cash return for 2016:
  - SEK 2.25 / share
  - SEK 540 million
Game Releases
Q4 2016

Synced releases on desktop and mobile
Available on iOS, Android and Windows Phone
Events After the Quarter

- Announced new VR game at ICE
- Announced two new branded games at ICE: Planet of the Apes and Emojis
- Launched games in Mexico with Codere
- Won the “Great place to work” category at the International Gaming Awards in London
Future Outlook

- Expect Q1 2017 revenues in line with Q4 2016, see good conditions for solid growth for rest of 2017
- 31 new customers yet to launch as per end of 2016
- Strong pipeline of new games for 2017
- Growth drivers
  - UK, mobile, North America
  - Long term: Asia, Live Casino, Retail, Latin America