

NETENT

BETTER GAMING™

Financial Results 2018

February 12th, 2019





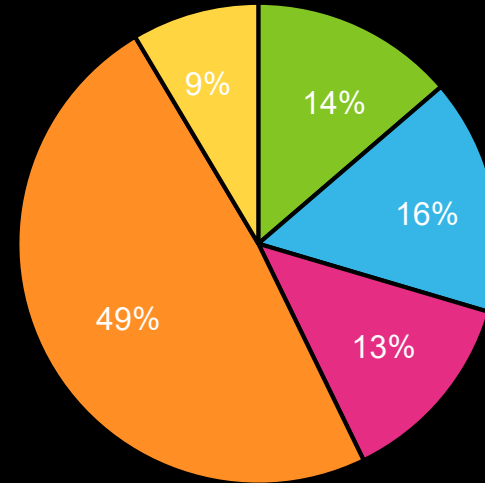
Therese Hillman, Group CEO

Q4 in brief

- Underlying revenue growth of 3.9 percent in euro terms
- Reorganization completed to increase profitability and competitiveness
 - Restructuring charges affecting earnings
- EBITDA-margin of 48.7 (45.7) percent before non-recurring items
- Solid free cash flow. Proposed dividend for 2018 of SEK 2.25 (2.25) per share
- 8 (8) customer signings, including ATG, Svenska Spel and Veikkaus
- Lars Johansson appointed CFO

Gamewin split by Region

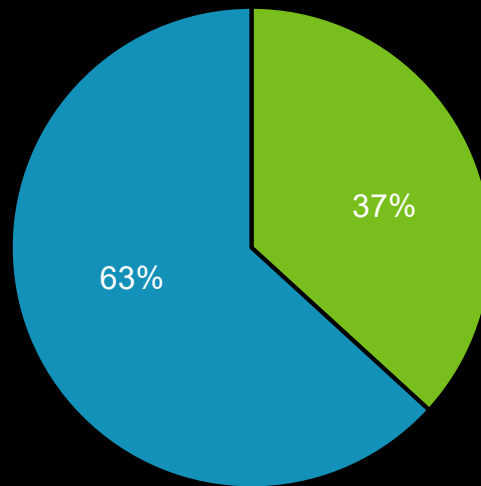
- Sweden 14 (14)%
- Other Nordic 16 (19)%
- United Kingdom 13 (14)%
- Other Europe 49 (45)%
- Other World 9 (9)%



■ Sweden ■ Other Nordics ■ United Kingdom
■ Other Europe ■ Other World

Locally Regulated Markets

- 37 (33)% of gamewin from locally regulated markets
- Europe
 - Gaming tax increases in Italy and UK in 2019
 - Switzerland re-regulating in 2019
- US
 - Pennsylvania market opening likely delayed

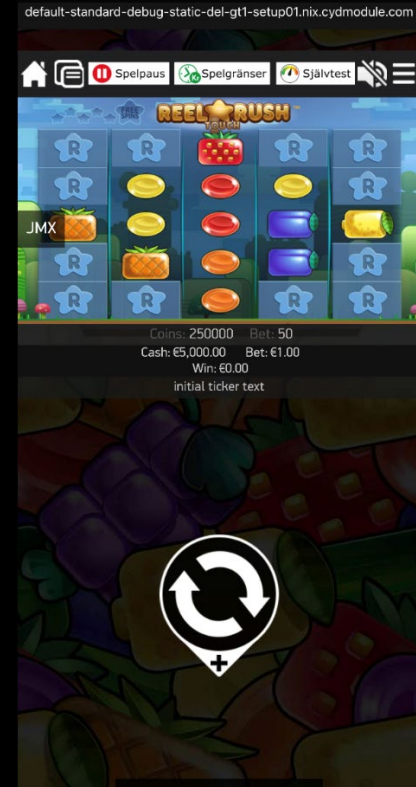


■ Locally regulated

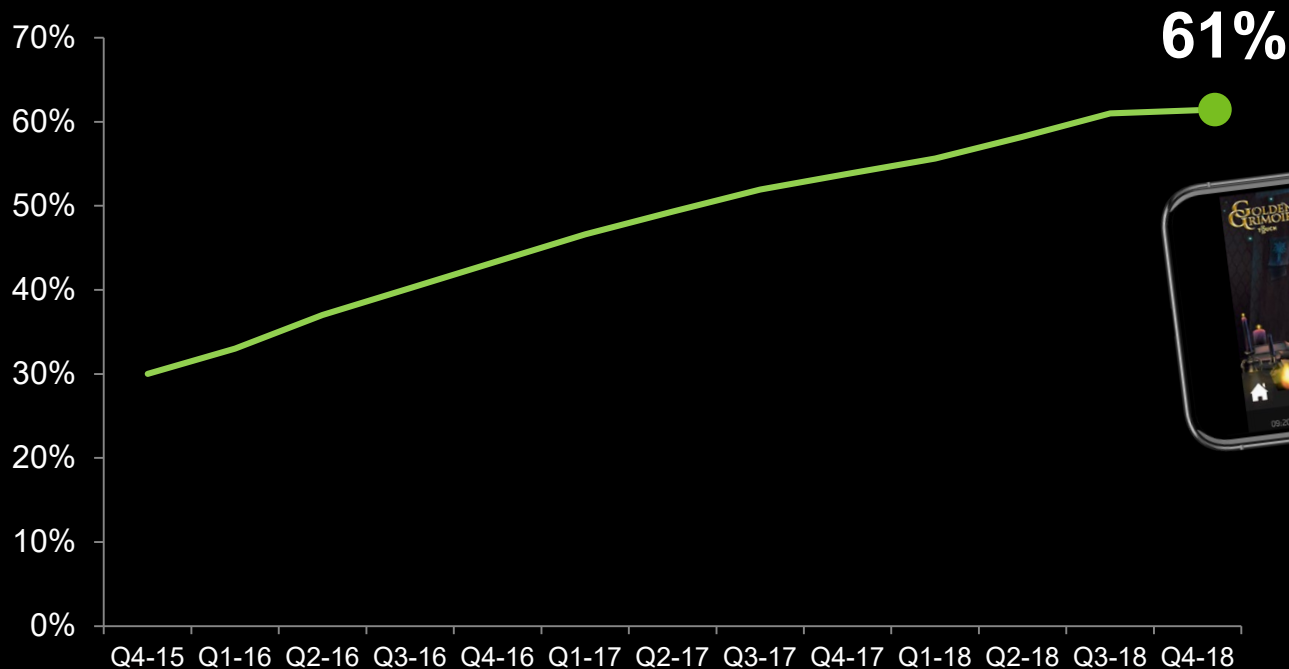
■ Non-locally regulated

Swedish Market Re-regulation

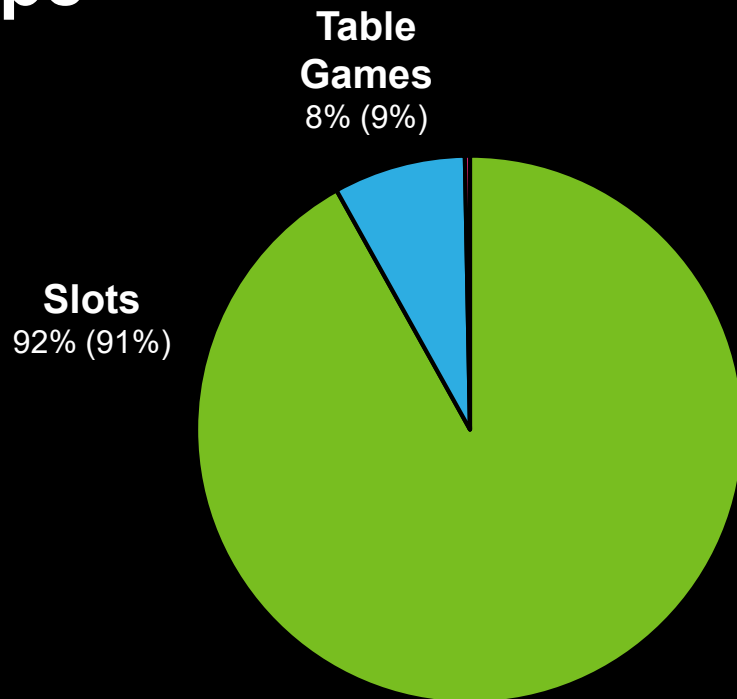
- New regulation started 1 January, 2019
- 18% gaming tax will have a negative effect on revenues in 2019
- So far in 2019, volumes in Sweden lower than in same period of 2018
 - 48 customers applied for license. 36 of these live on .se
 - A number of smaller customers have left the market
 - New conditions for responsible gambling



Mobile Games



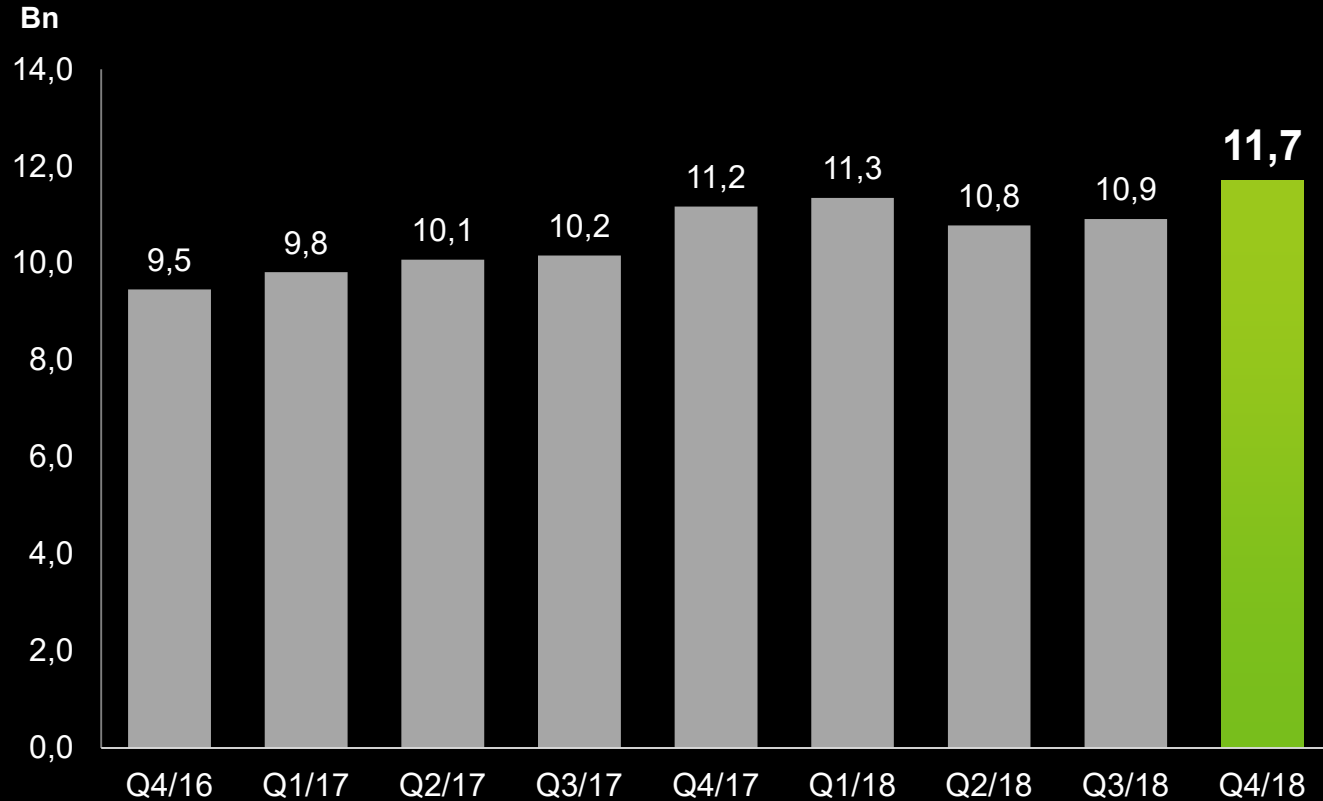
By Game Type



Comparable figures from Q4 2017 in parenthesis

BY QUARTER

Game Transactions



+4.7%
YoY



Q4 2018

Product News

WILD
BAZAAR

HALLOWEEN JACK™

**COINS
OF
EGYPT™**



VIKINGS
VIDEO SLOT

Jingle Spin™

WILD-O-TRON 300

NETENT

live





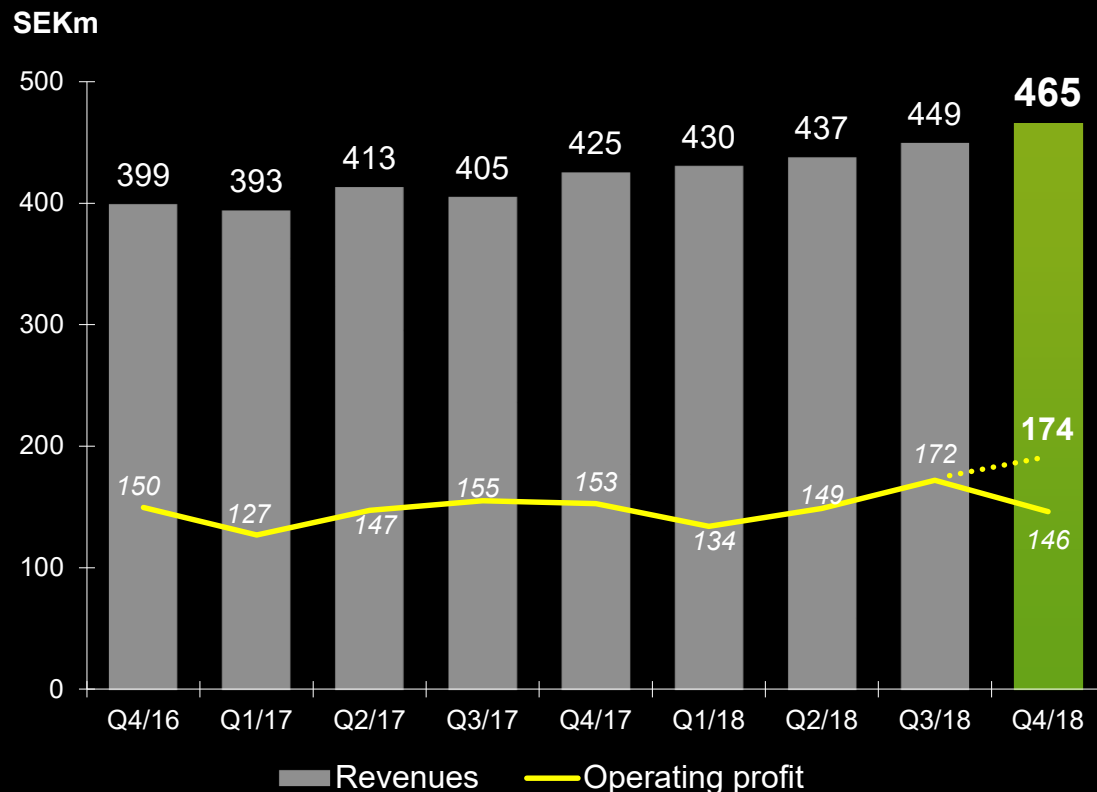
Lars Johansson, CFO

Financials

BY QUARTER

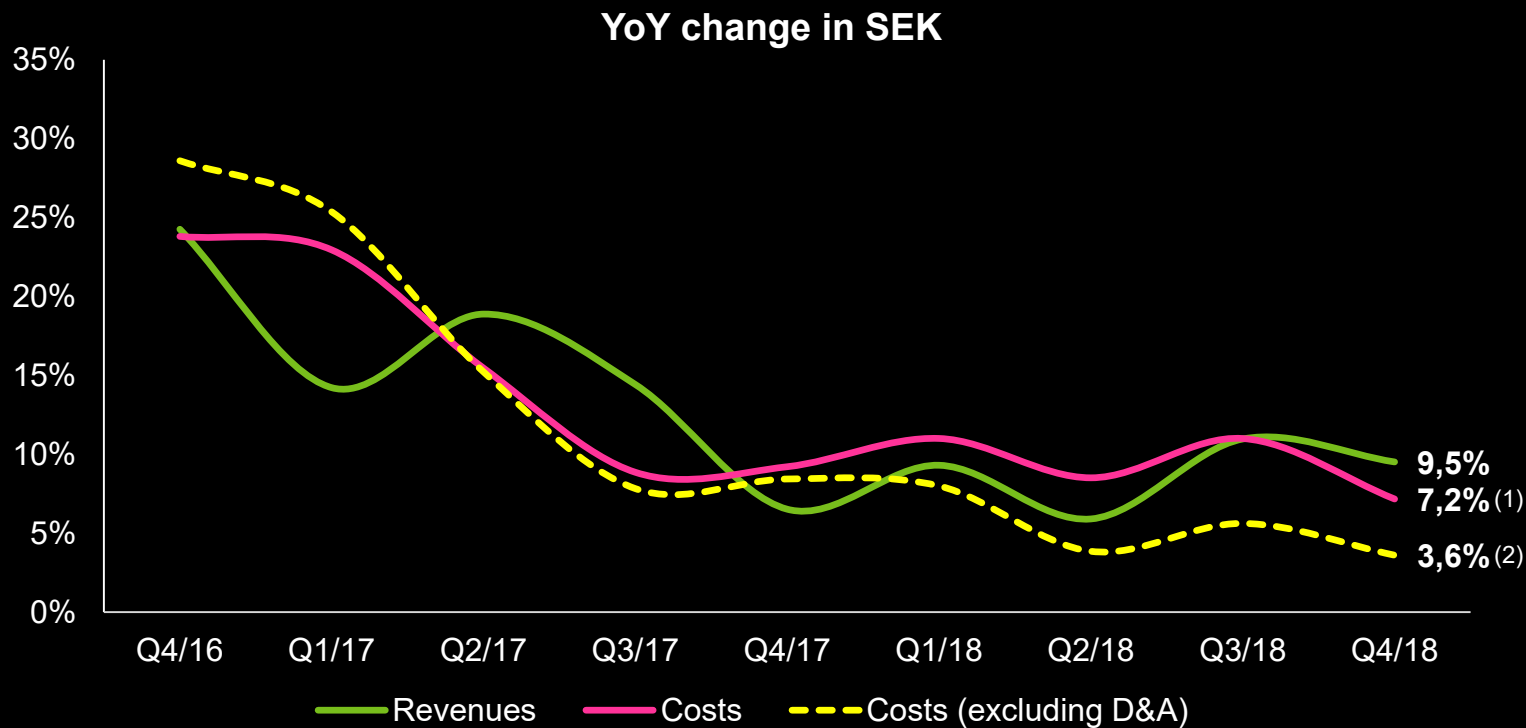
Revenue and Operating Profit

- Revenues +9.5% YoY in SEK
- Revenues +3.9% YoY in EUR
- EBITDA margin of 43.9 (45.7)%
- EBIT margin of 31.4 (35.9)%
- Before non-recurring items
 - EBITDA margin of 48.7 (45.7)%
 - EBIT margin of 37.3 (35.9)%



BY QUARTER

Cost vs Revenue Growth

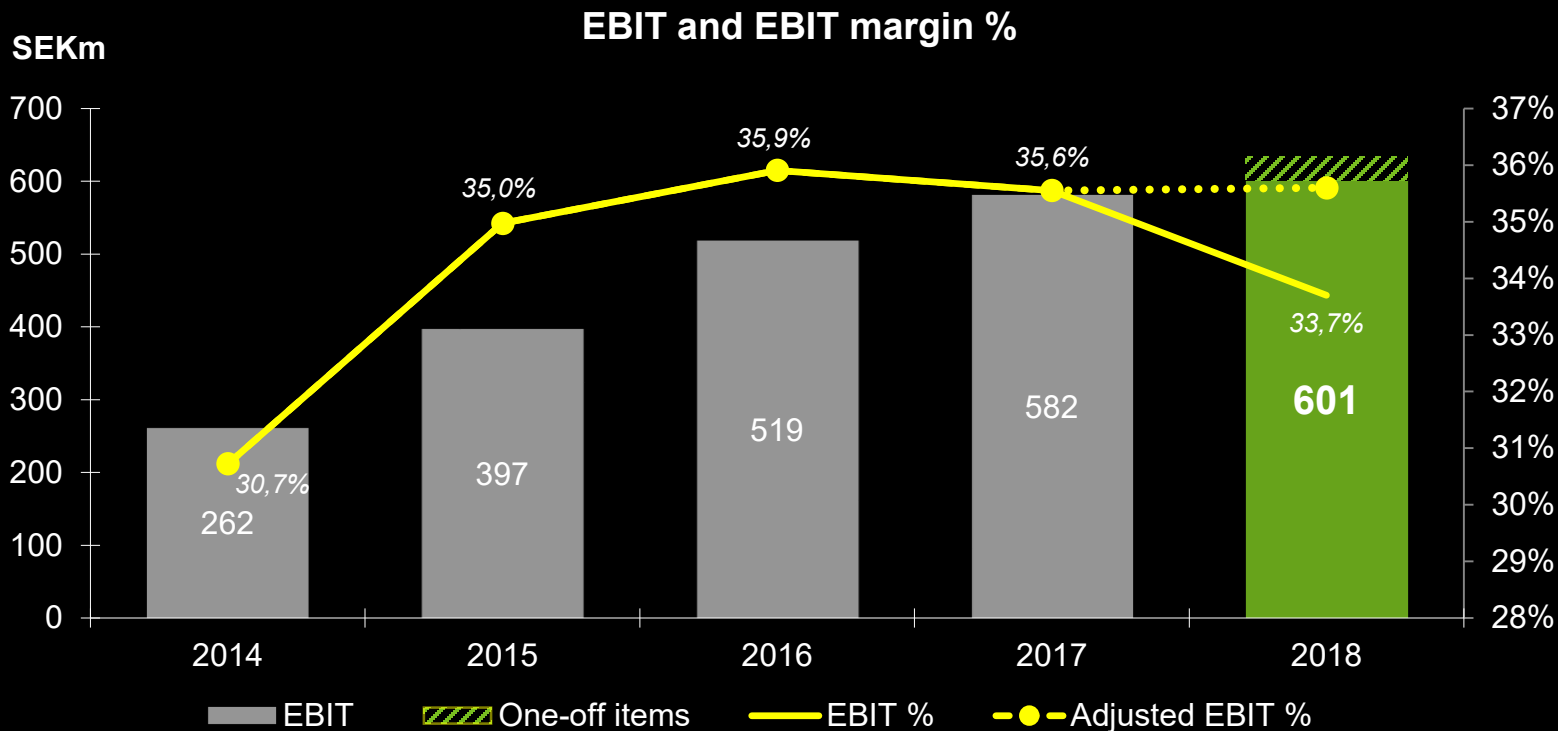


(1) Excluding 27.4 SEKm in non-recurring costs

(2) Excluding 22.2 SEKm in non-recurring costs

LAST FIVE YEARS

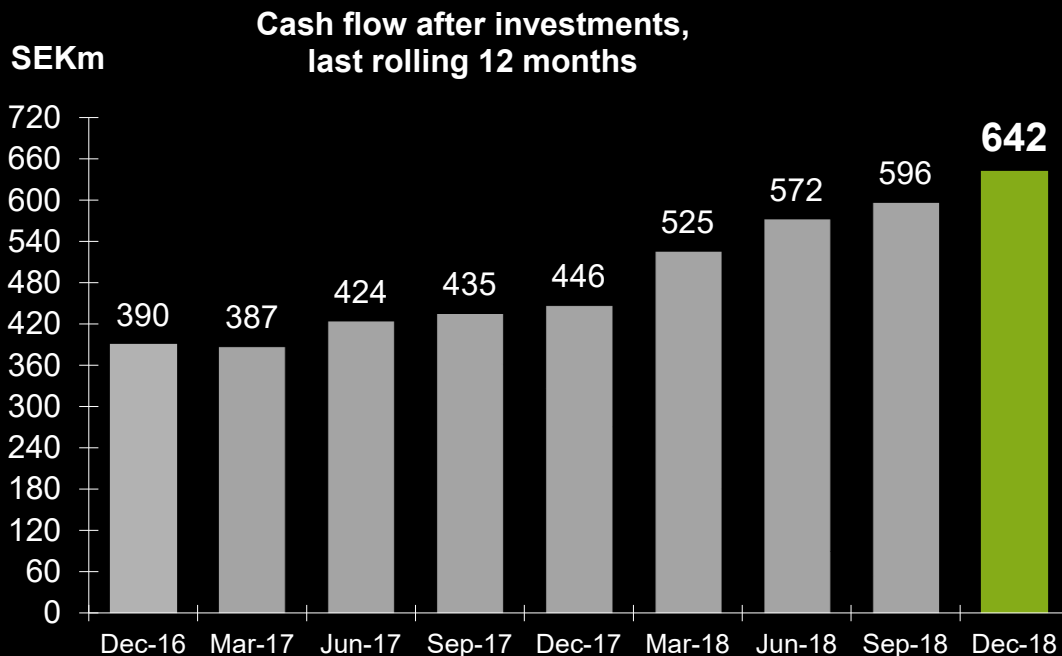
Operating Profit (EBIT)



LAST 12 MONTHS ROLLING

Free Cash Flow

- Free cash flow of 139 SEKm in Q4
- Free cash flow of 642 SEKm in FY 2018
- Net cash position of 501 SEKm at year end of 2018
- Proposed cash distribution to shareholders
 - SEK 2.25 (2.25) per share
 - Total of 540 SEKm



Future outlook



ICE[®]
LONDON

CZZY
ESBOURNE
VIDEO SLOT



**Perfect
Blackjack**

NETENT **live**



Events after the quarter

- Signed deal with Parx Casino in Pennsylvania



Focus looking ahead

- YTD in 2019, our total gamewin is 5% lower than in the same period of 2018
- Higher ambitions for organic earnings growth
- Increasing output, 30-35 new games planned for 2019
- Geographic expansion in Americas and Asia
- Improving Live Casino offering
- Player-centric initiatives to support core business
 - Social casino and affiliate business
- Cost control and productivity

