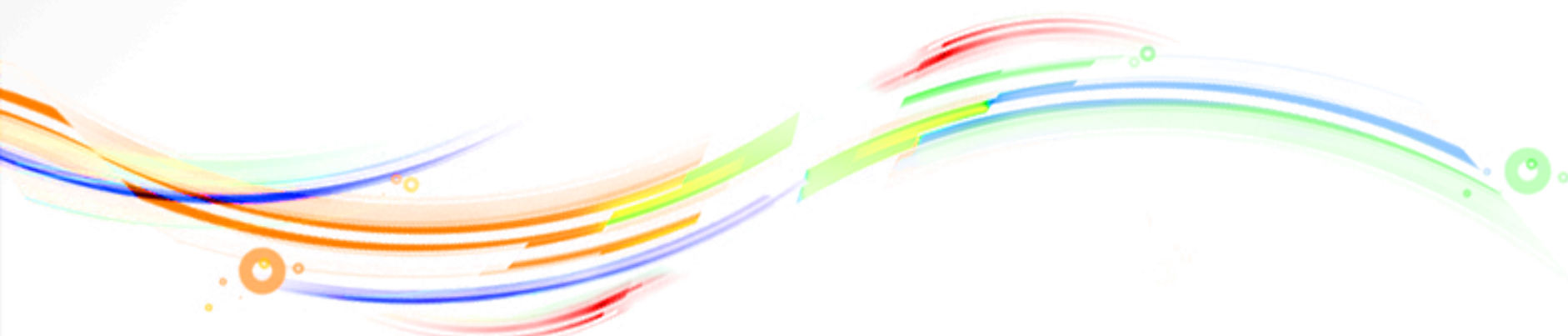
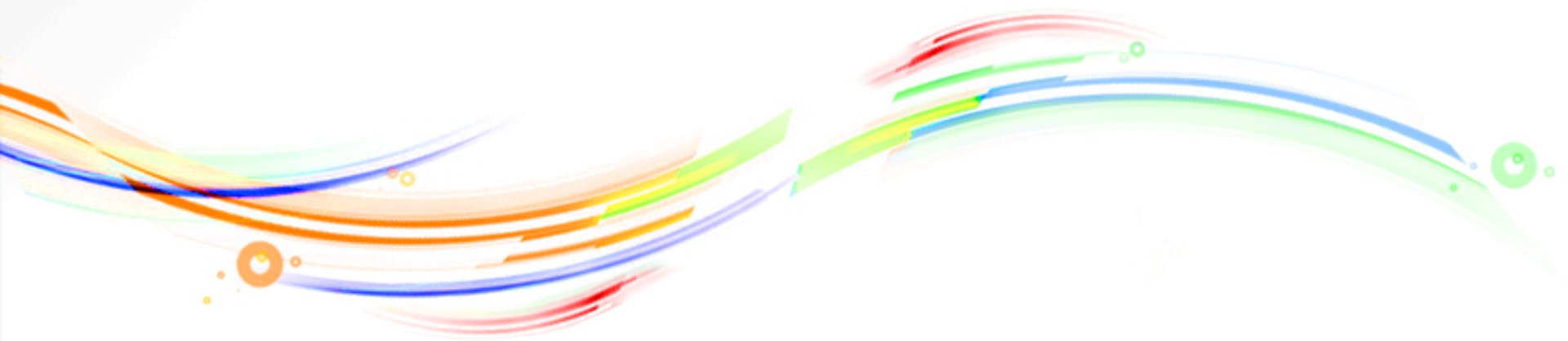


Results for the Year Ended 31 December 2011





BRIAN MATTINGLEY, CEO | INTRODUCTION



Agenda

- **Brian Mattingley** | Introduction
- **Aviad Kobrine** | Financial Review
- **Itai Frieberger** | Operational Review
- **Brian Mattingley** | Summary
- **Q&A**

Key Highlights[†]

Exceptional growth across all major metrics

- Revenue **\$331m**, **up 26%** on 2010
- EBITDA¹ **\$56m**, **up 94%** on 2010
- EBITDA Margin¹ 17% vs. 13% in H1 2011 and 11% FY2010
- Cash position **\$82m** - \$37m corporate cash, \$45m customers
- Record player numbers
- Wink Bingo payments made

[†] All figures in this presentation are extracted from 888's financial statements as published where available.

Totals may not sum due to rounding.

¹ Excluding restructuring costs, share benefit charges and goodwill write-off

Delivering on Strategy

- Core B2C focus
- Growth through volume
- Increased marketing spend but lower marketing ratio
- Invested in infrastructure
- Improved margin
- Active in new markets
- Rationalised B2B contracts
- Mytopia stabilising
- Management team in place, meeting expectations

Regulated Markets

Core Strand of Strategy

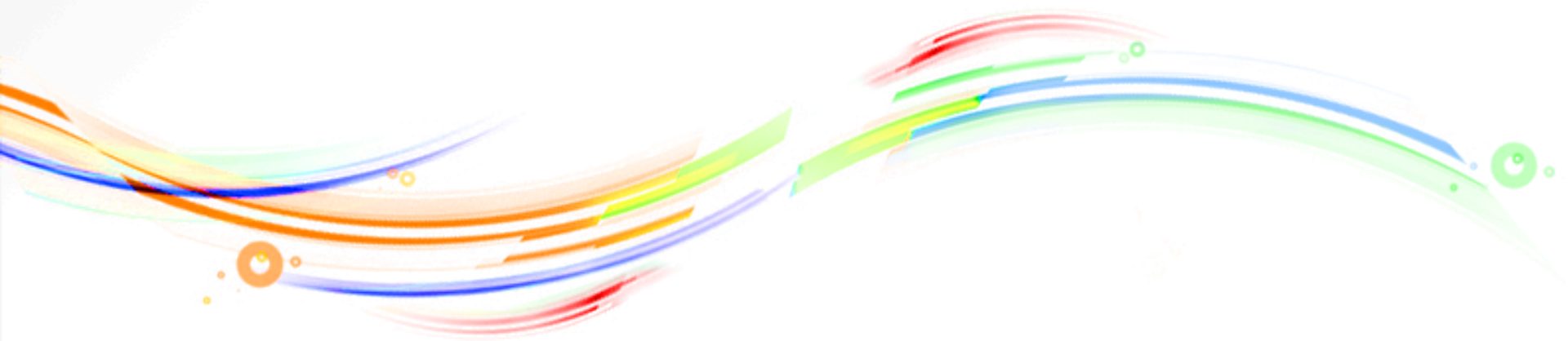
- **Italy** - 5% Market Share with low level of investment
- **Spain** - License application & software adaptation
 - Launch circa July 2012
- **Germany** - License application & software adaptation
- **U.S.** - CIE contract
 - Nevada License Application
 - Software adaptation – strong platform
 - Negotiations with significant other partners

Outlook and Opportunities

- Continued focus on core strategy
- Continue to develop pipeline of sizeable B2B contracts
- Regulative framework
- New Markets
 - Europe, investment necessary
 - U.S. – blue ocean
- Expected return to dividend



AVIAD KOBRINE, CFO | FINANCIAL REVIEW



Highlights

- Highest yearly revenue ever - **\$331m**, up **26%**
- Revenue B2C up **28%** to **\$284m**
- Revenue Casino B2C up **27%** to **\$148m**
- Revenue Poker B2C up **58%** to **\$61m**
- Casino & Poker B2C first time depositors up **55%**, led by Poker
- Active Players Casino & Poker B2C up **102%**
- EBITDA¹ up **94%** to **\$56m**
- EBITDA¹ margin up to **17%**
- Cash at year end **\$82m**

† All figures in this presentation are extracted from 888's financial statements as published where available.
Totals may not sum due to rounding. All comparisons on a Yearly basis.

¹ Excluding restructuring costs, share benefit charges and goodwill write-off.

Profit and loss account¹

- 2011 - Total Revenue up **26%** to **\$331m** (2010 : \$262m)
- EBITDA up **94%** to **\$56m** (2010 : \$29m), improved profitability

\$m	2011	2010	FY'11 / FY'10
Revenue	331.1	262.1	26%
Operating expenses ^{2,3}	108.6	97.2	
Research and development expenses ³	29.9	21.8	
Selling and marketing expenses	102.3	91.5	
<i>% of Revenues</i>	31%	35%	
Administrative expenses ^{3,4,5,7}	27.5	21.6	
Gaming Taxes and duties	7.3	1.4	
EBITDA^{3,4,5,7}	55.6	28.6	94%
<i>% of Revenues</i>	17%	11%	
Depreciation & Amortization	(13.0)	(12.3)	
Interest , F/X, other ⁶	(13.1)	(1.2)	
Profit before tax^{3,4,5,7}	29.5	15.1	
Taxation	(3.9)	(2.7)	
Profit after tax^{3,4,5,7}	25.6	12.4	
Basic Earning per Share^{3,4,5,7}	7.4 ¢	3.6 ¢	

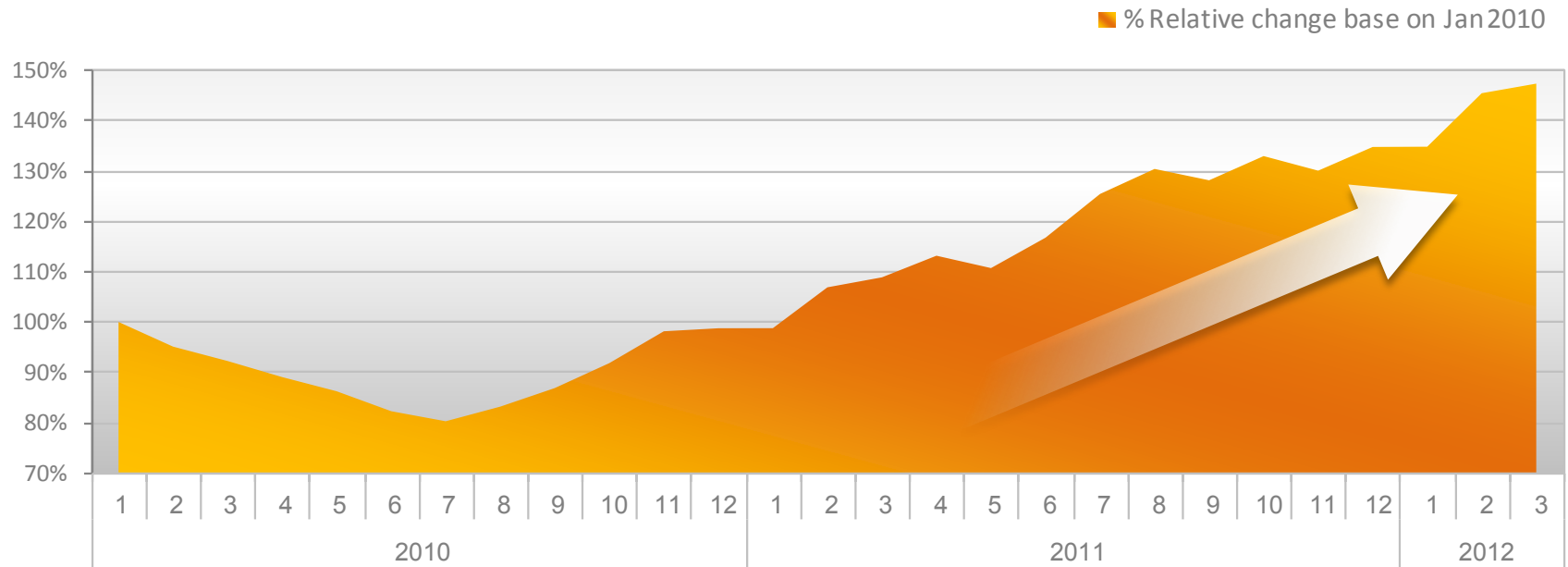
¹ Rounded ² Excluding depreciation & amortisation. ³ Excluding restructuring costs. ⁴ Excluding share benefit charges.

⁵ Excluding Mytopia goodwill write-off. ⁶ Interest (2011) paid at \$3.7m, the rest represent non-cash items.

⁷ Excluding Mytopia write back of contingent consideration.

B2C Daily Average Deposit Growth

- March 2012 daily average deposits so far up **84%** compared to July 2010

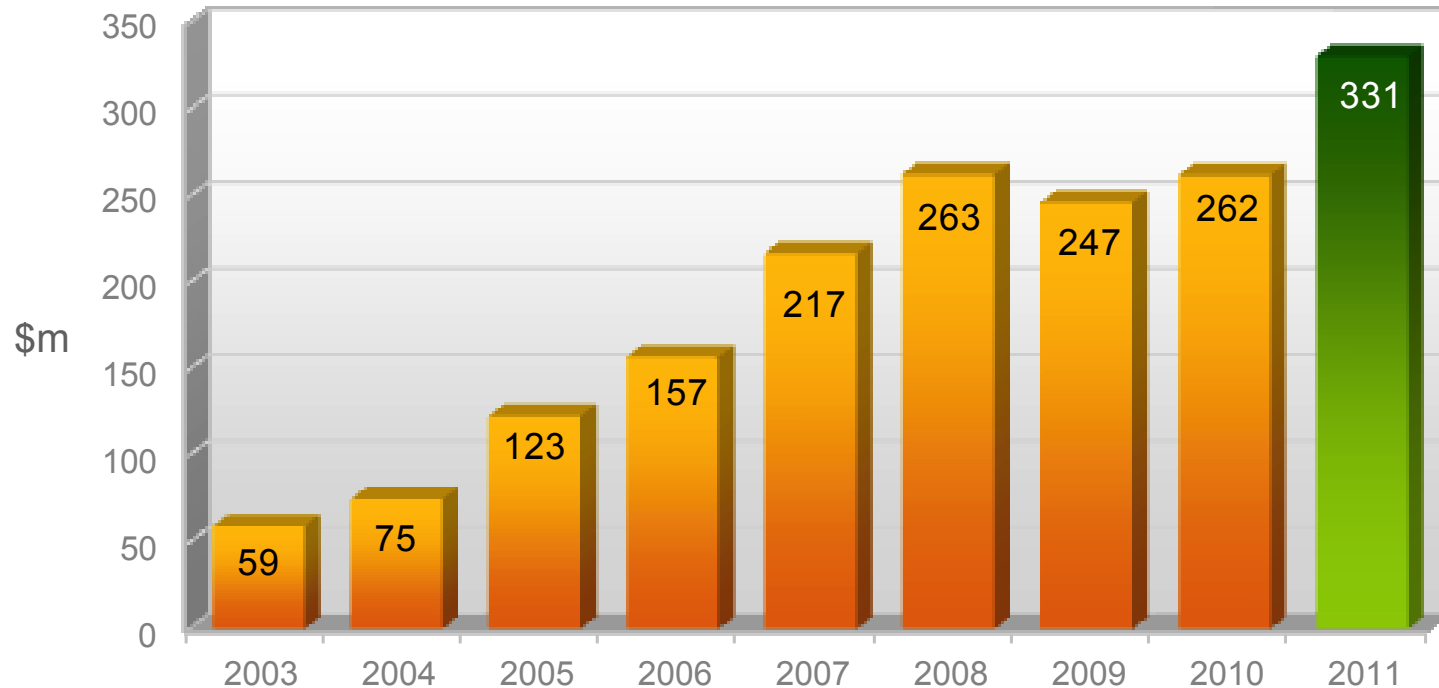


* Reflect the relative change of deposits translated to US\$

Total Revenue

- 2011 - Total Revenue up **26%** to **\$331m** (2010: \$262m)
- 2011 – highest Revenue in 888 History
- Representing a CAGR of 24%

Total Revenue 2003 – 2011 (\$m)

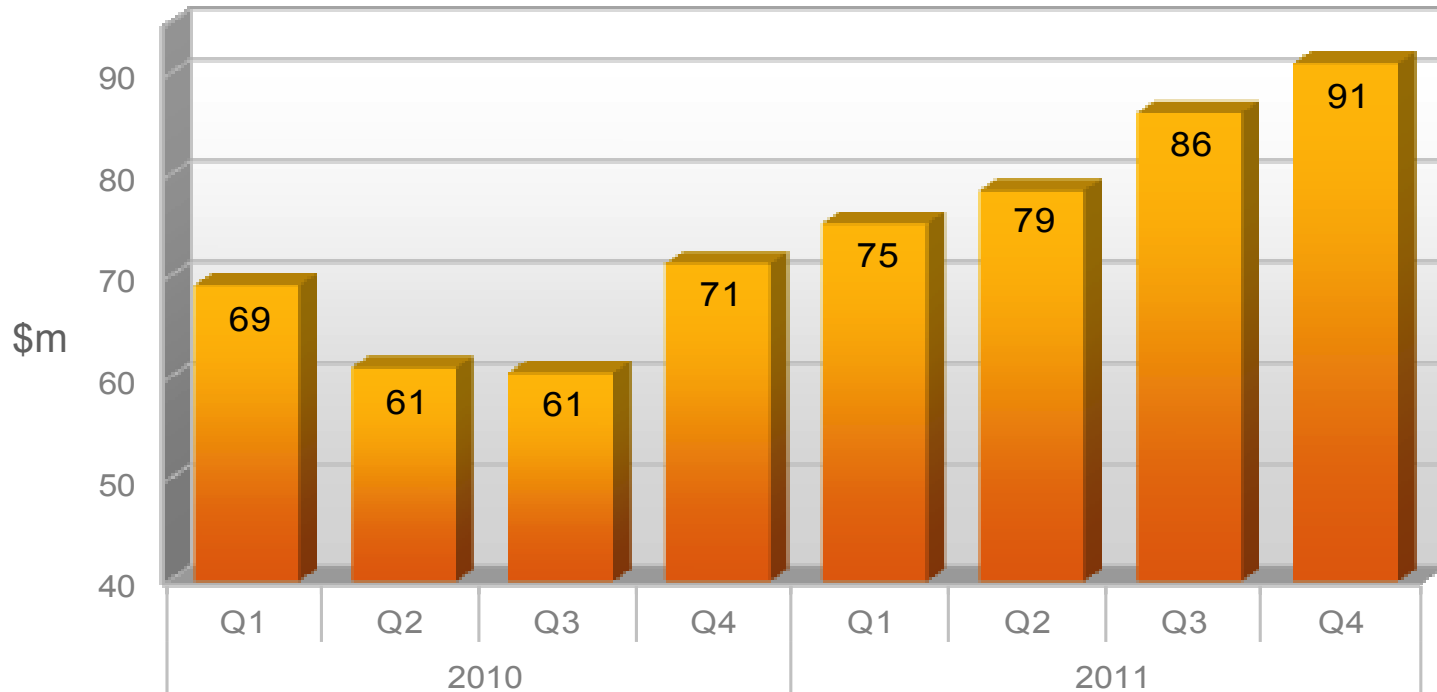


* Revenues for 2003-2009 are excluding US

Total Revenue

- Q4 2011 Revenue up **28%** to **\$91m** (Q4 2010: \$71m)
- Five consecutive quarterly revenue growth

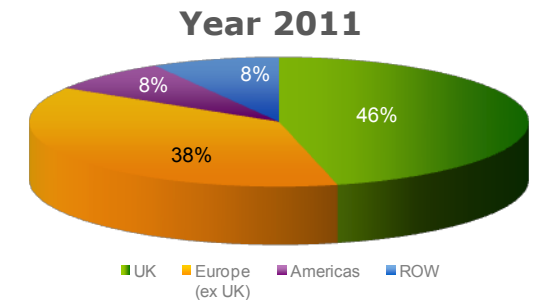
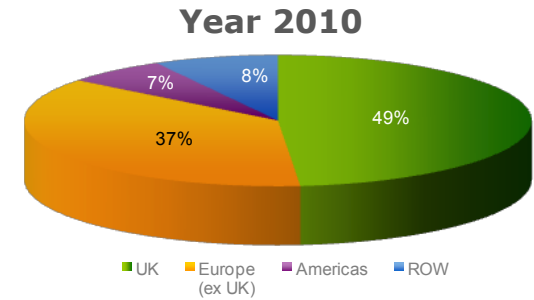
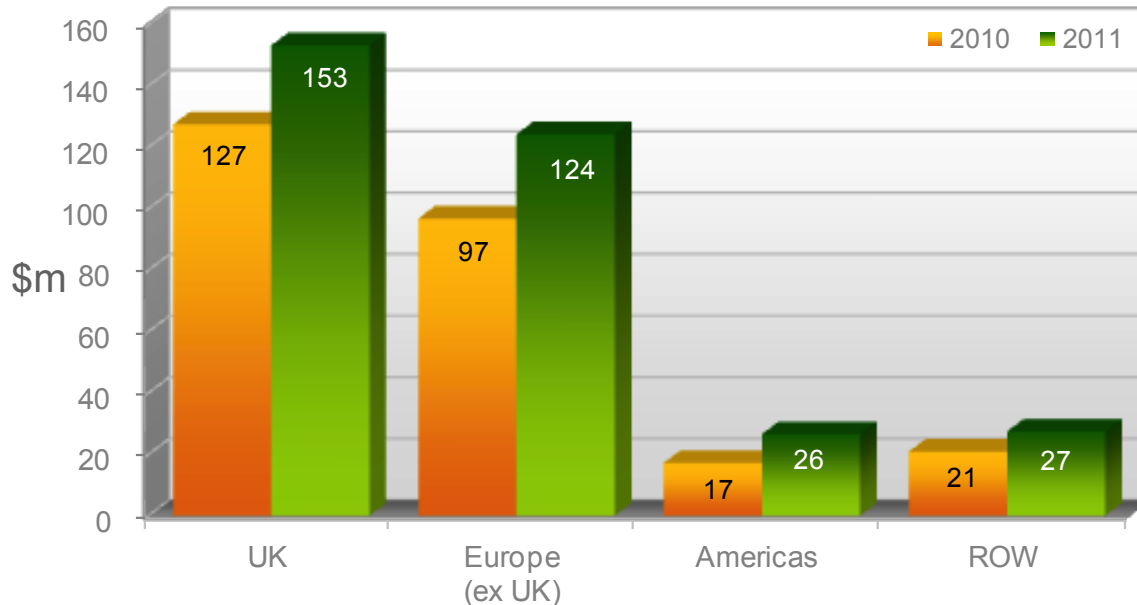
Quarterly Revenue 2010 – 2011 (\$m)



Geographical Segmentation

- Revenue growth across all markets : UK **20%**, Europe **28%**, Americas **55%**, ROW **31%**
- UK represents **46%** of Total Revenue in 2011

Geographic segmentation, Total Revenue 2010 and 2011

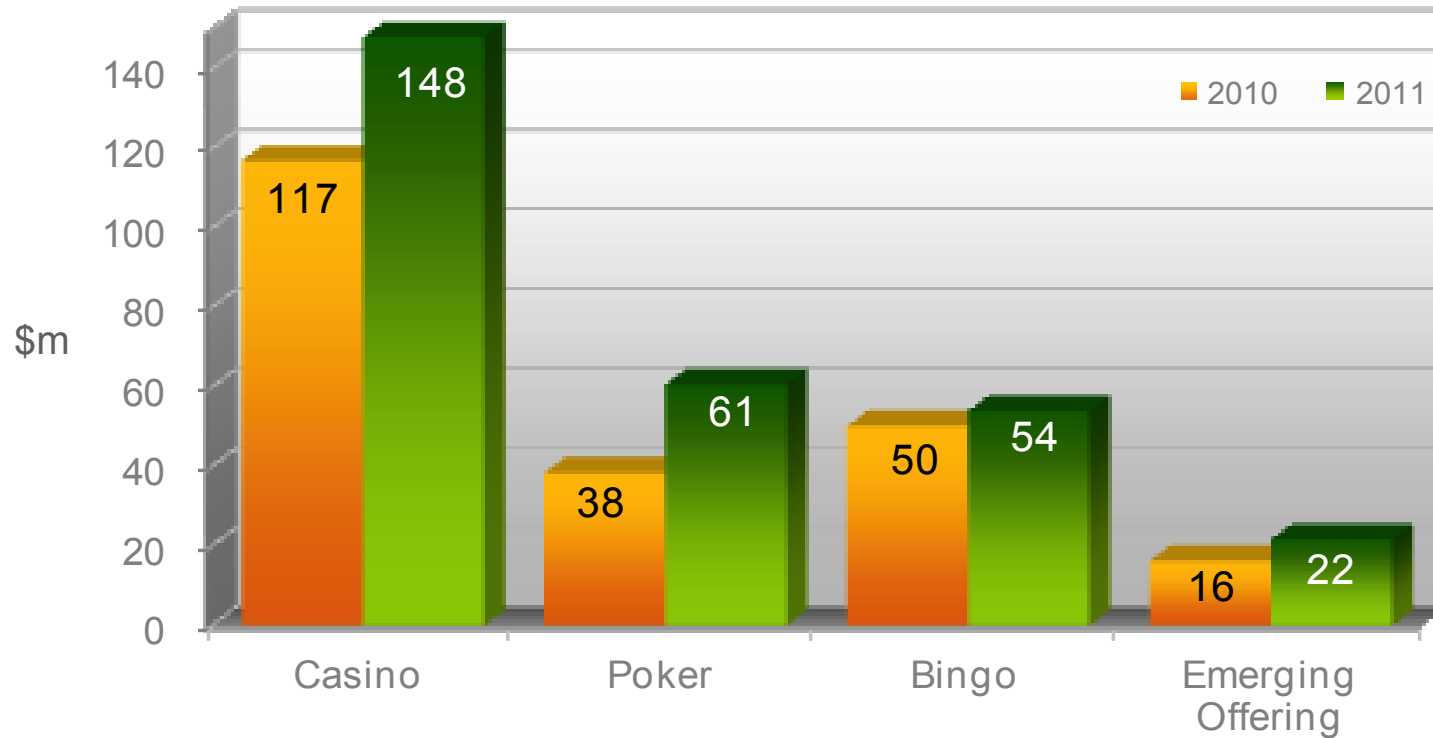


* Americas include the volumes of Mytopia Social Networks, including US

Revenue B2C by Product

- Casino up **27%**, Poker up **58%**, Bingo up **8%**, Emerging Offering up **33%**

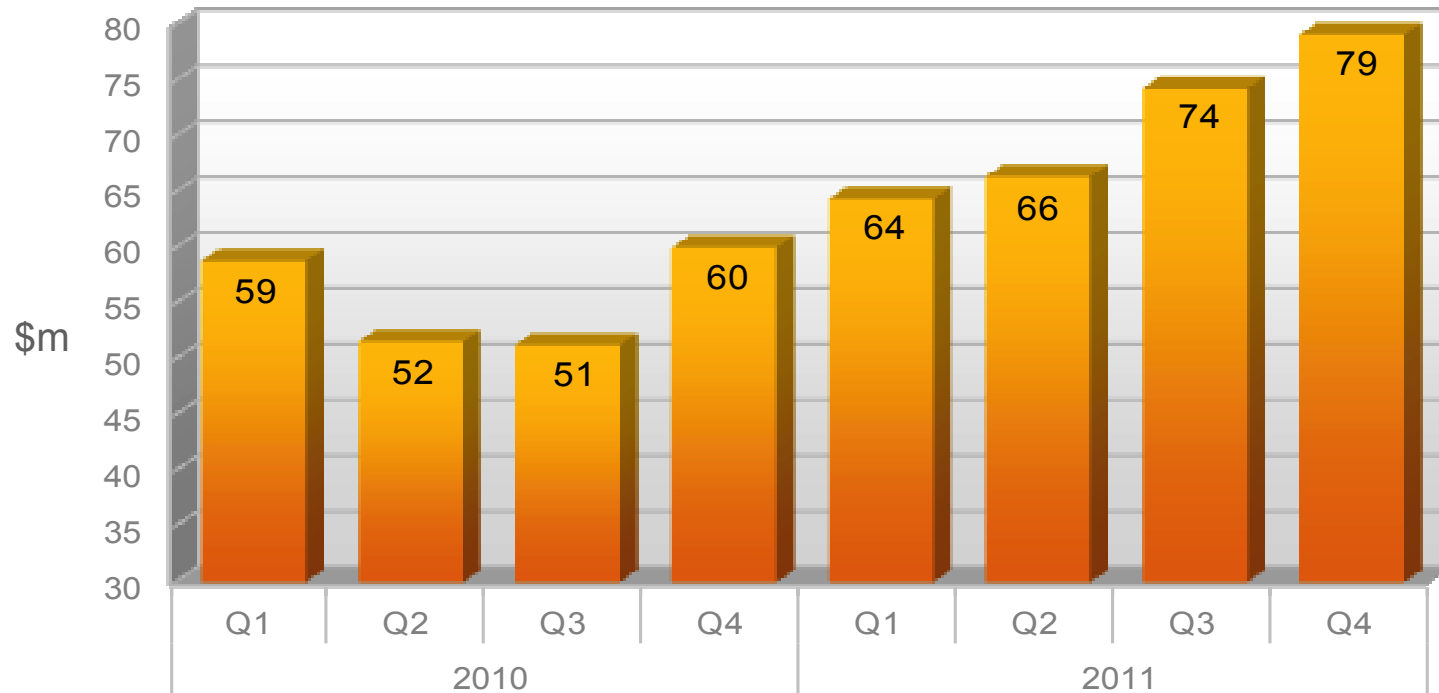
Revenue B2C 2010 vs. 2011 (\$m)



Revenue B2C

- Q4 2011 Revenue up **32%** to **\$79m** (Q4 2010: \$60m)

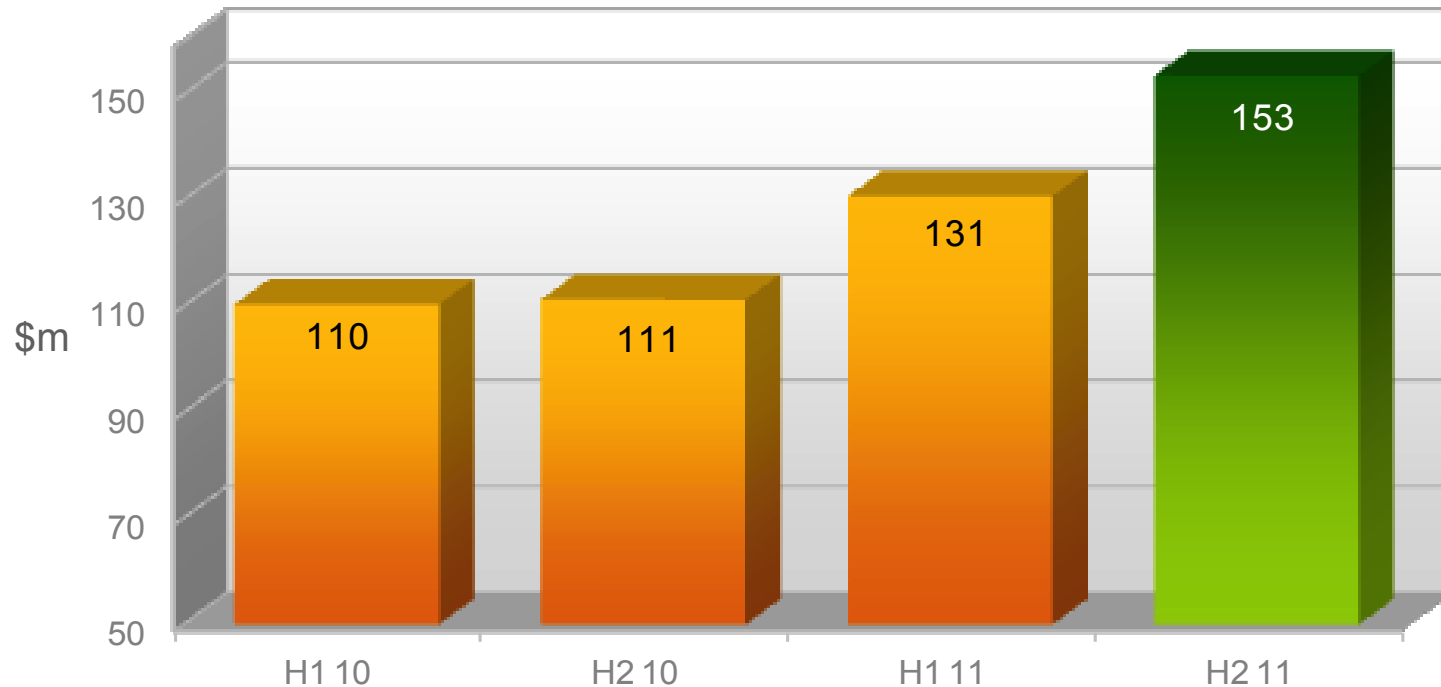
Quarterly Revenue B2C 2010 – 2011 (\$m)



Revenue B2C

- H2 2011 Revenue up **38%** to **\$153m** (H2 2010: \$111m)

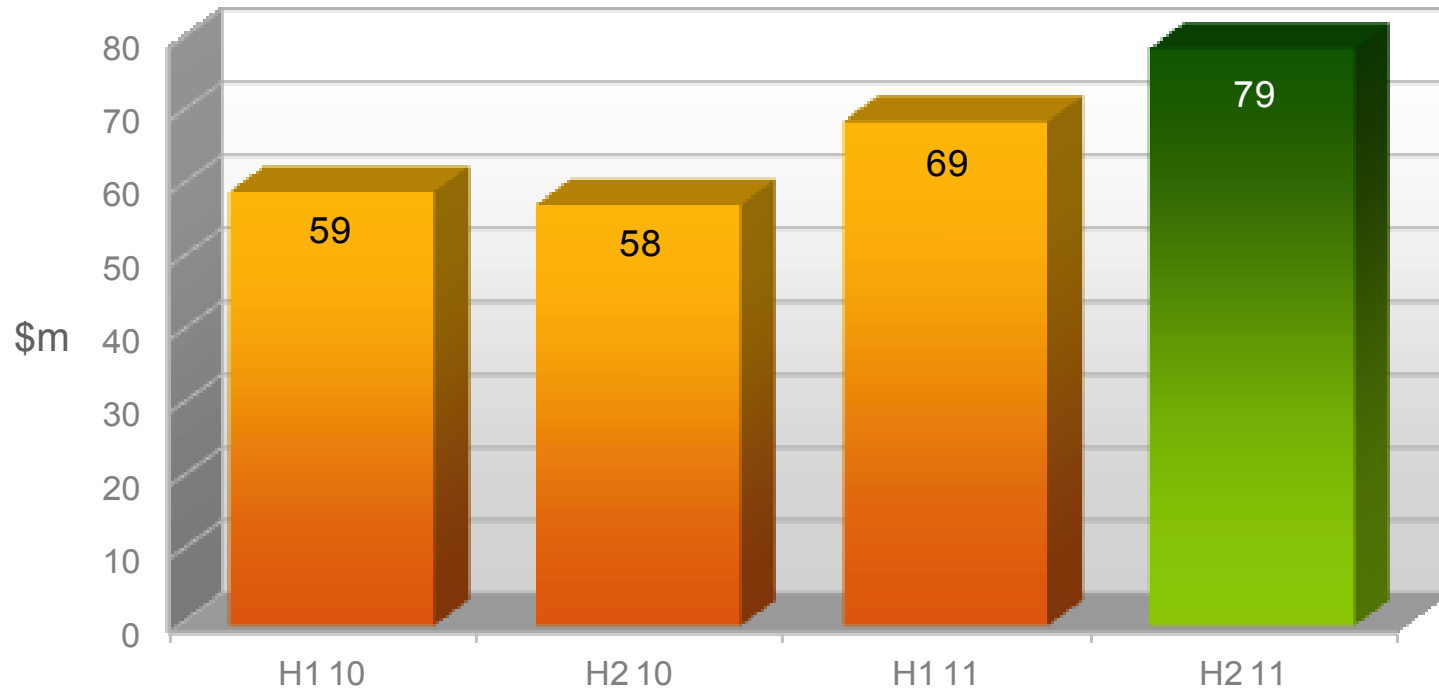
Revenue B2C H1 2010 – H2 2011 (\$m)



Revenue Casino B2C

- H2 2011 Revenue up **37%** to **\$79m** (H2 2010: \$58m)

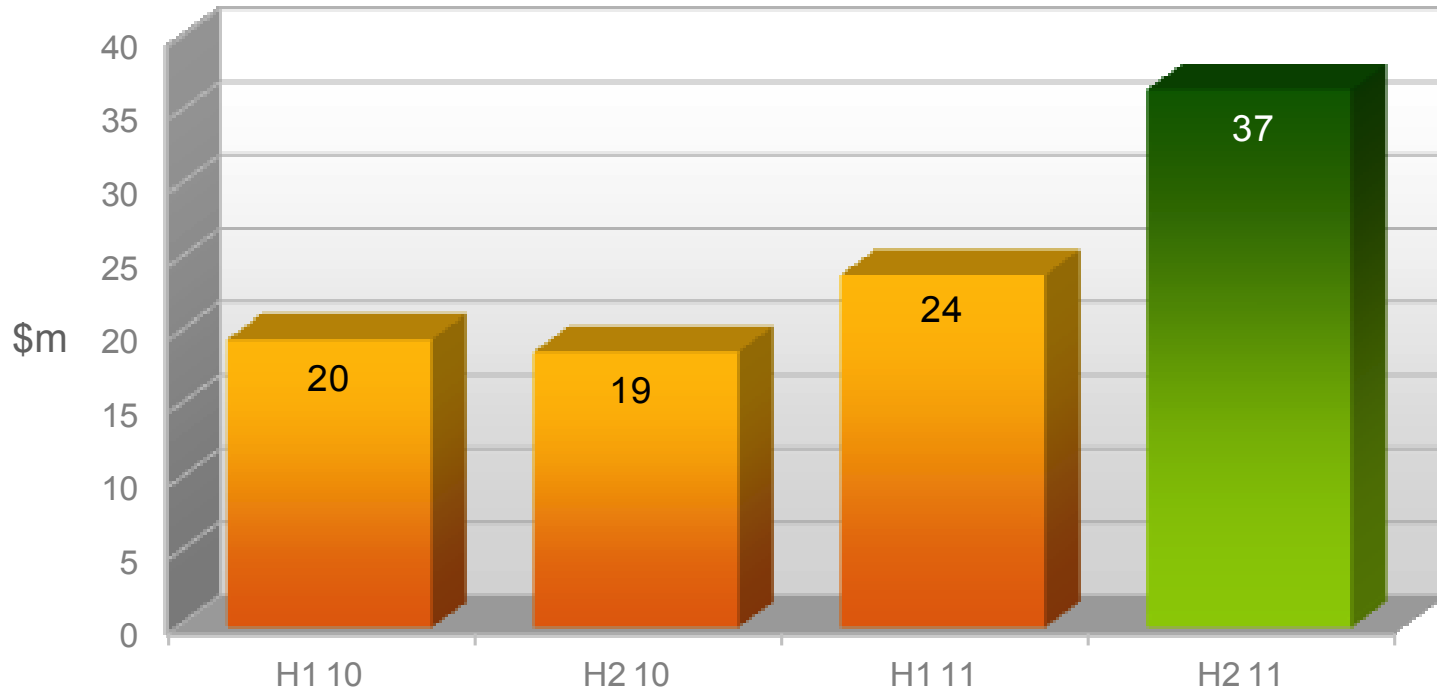
Revenue Casino B2C H1 2010 – H2 2011 (\$m)



Revenue Poker B2C

- H2 2011 Revenue up **95%** to **\$37m** (H2 2010: \$19m)

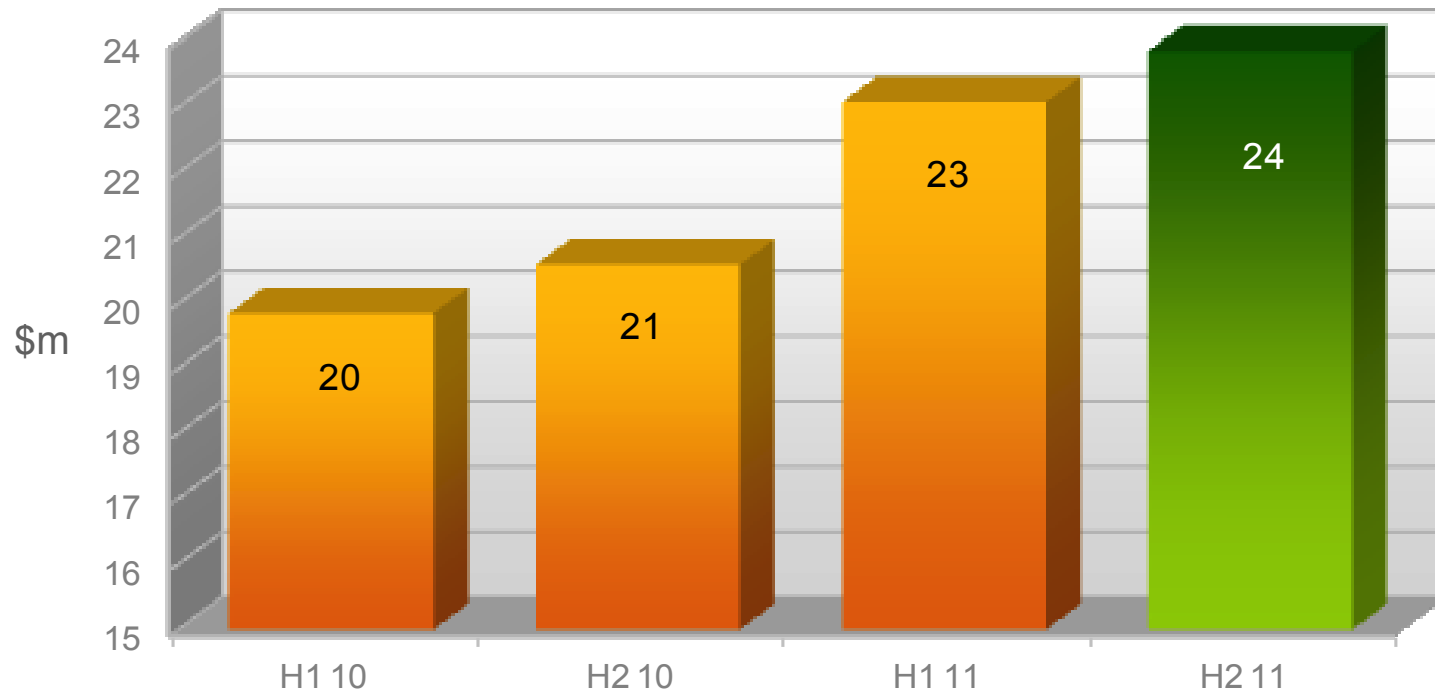
Revenue Poker B2C H1 2010 – H2 2011 (\$m)



Revenue B2B

- H2 2011 Revenue up **16%** to **\$24m** (H2 2010: \$21m)

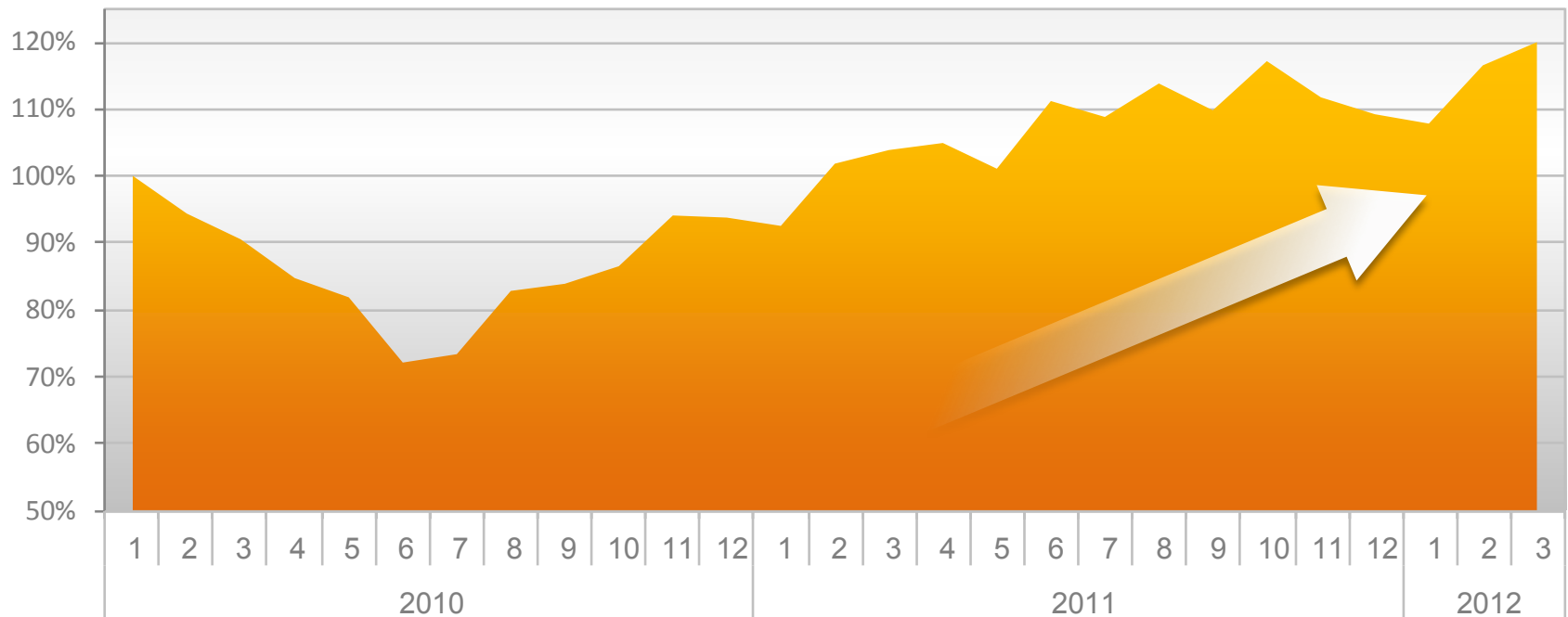
Revenue B2B H1 2010 – H2 2011 (\$m)



888Casino Deposit Trend

- 888Casino shows continues growth of deposits as of Q3 2010
- March 2012 daily average up **64%** compared to July 2010

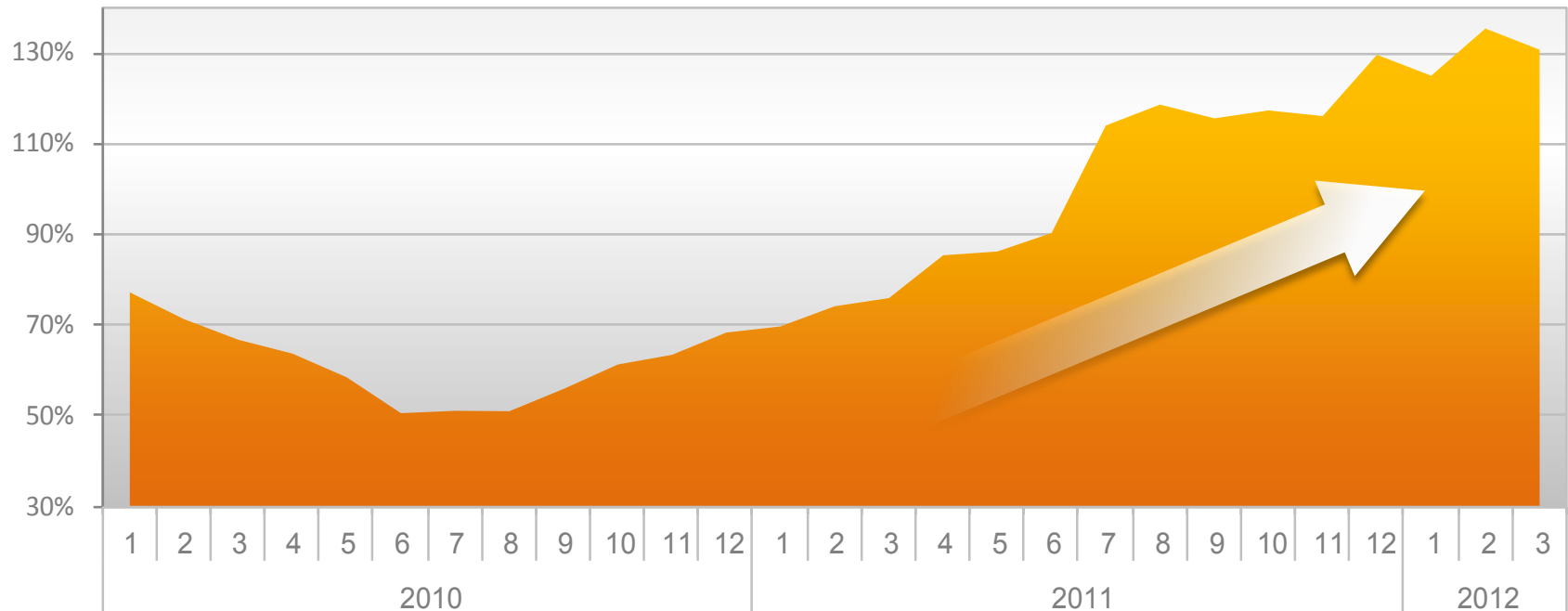
888Casino Daily Deposits



888Poker Deposit Trend

- 888Poker product and CRM activities as of July 2010 translated into strong growth
- March 2012 daily average up **156%** above July 2010

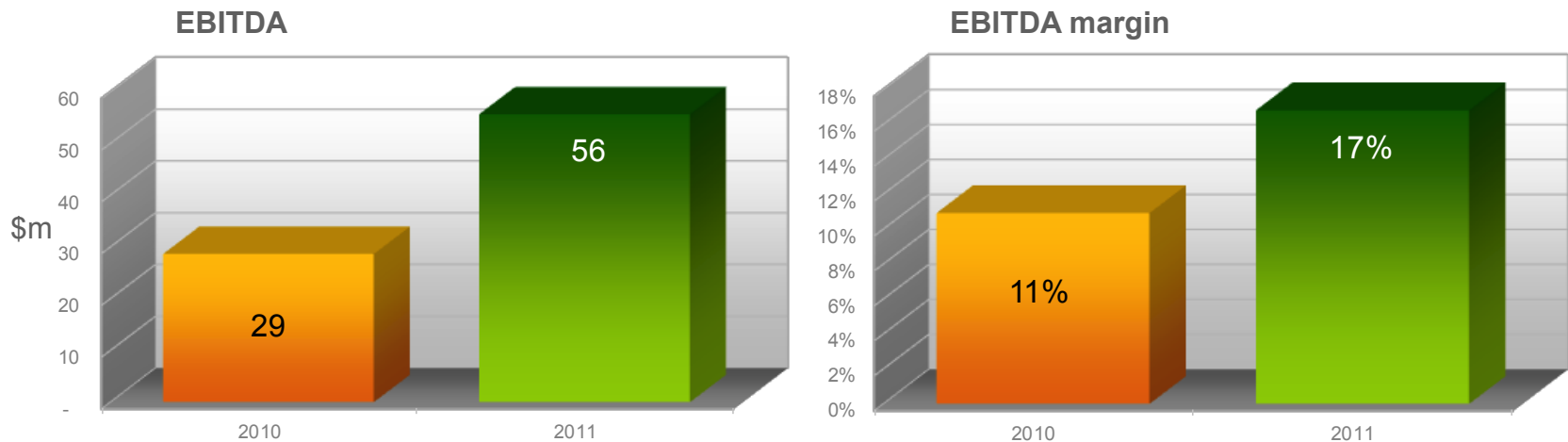
888Poker Daily Deposit



EBITDA and EBITDA margin

- EBITDA up **94%** to **\$56m** (2010: \$29m)
- EBITDA margin up to **17%** (2010: 11%)

EBITDA 2010 vs. 2011

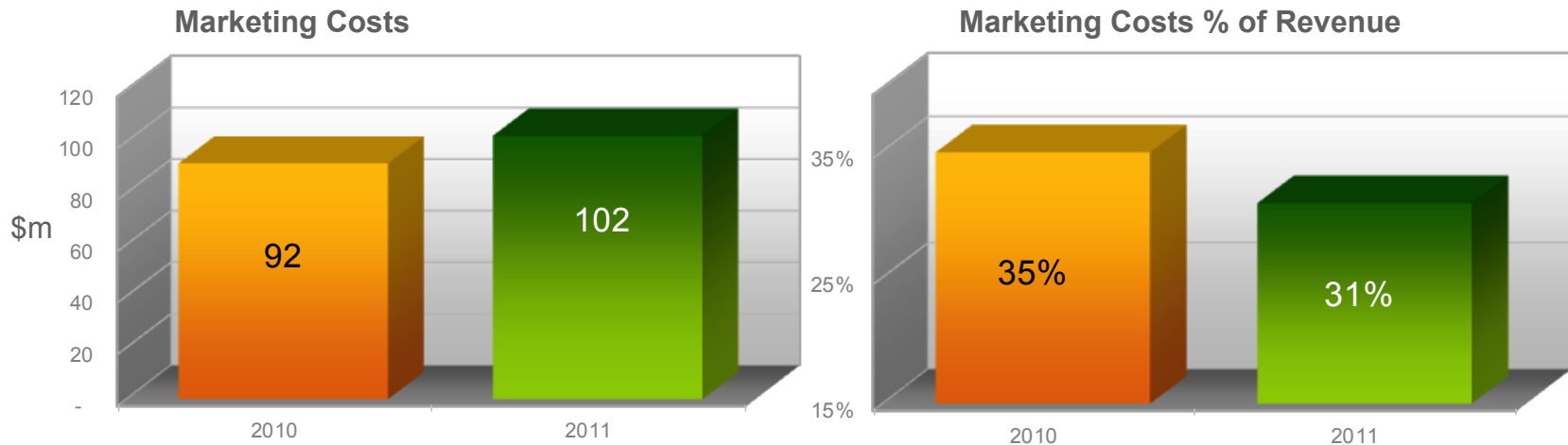


* Excluding share benefit charges, depreciation, amortisation, restructuring and goodwill write-off

Marketing Cost Ratio

- Marketing ratio to Revenue in 2011 at **31%**
- 2011 B2C Casino & Poker CPA* lower than previous year
- Higher efficiency in core business helped to increase profitability despite high investment in regulatory markets

Marketing Costs 2010 vs. 2011

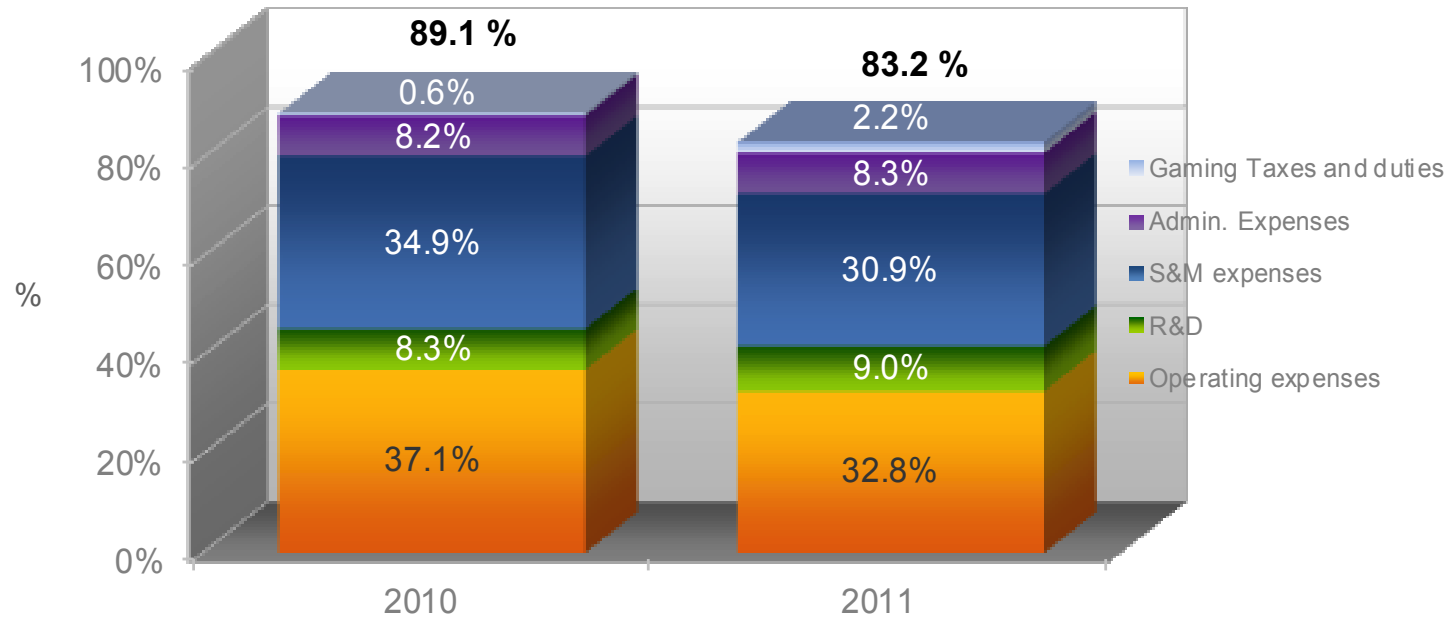


* Excluding Revshare components

Cost Structure

- Cost percentage down to **83%** (2010 : 89%)
- Decrease of cost ratio despite the additional gaming tax costs

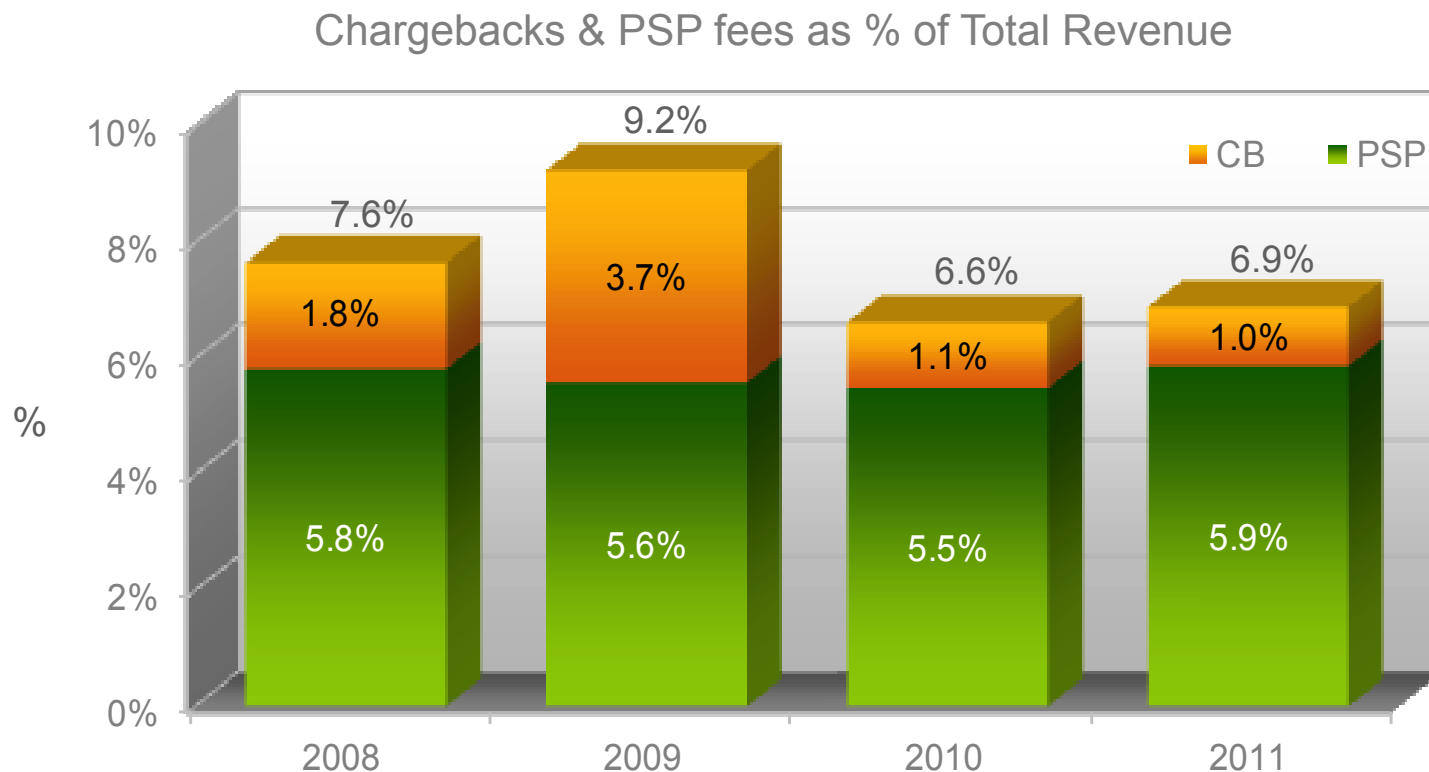
Cost as a % of Total Revenue 2010 vs. 2011



* Excluding share benefit charges, depreciation, amortisation, restructuring and goodwill write-off

Chargebacks & PSP fees - Group

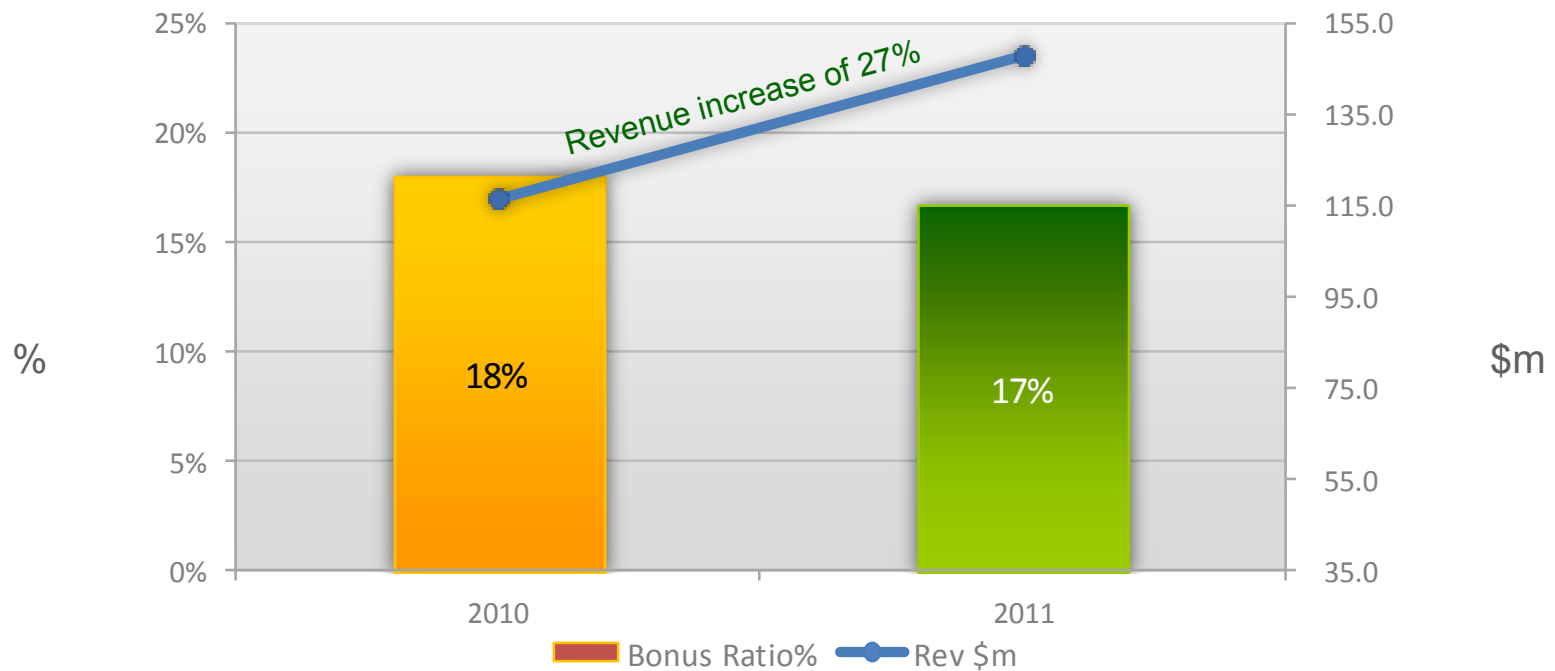
- CB & PSP at **6.9%** of Total Revenue (2010: 6.6%)
- When comparing on a like for like basis to 2010, CB & PSP ratios are the same



Customer Bonuses B2C Casino¹

- Casino revenue growth continue to be driven by optimal use of bonuses and CRM efforts

Customer Bonuses as % of Revenue

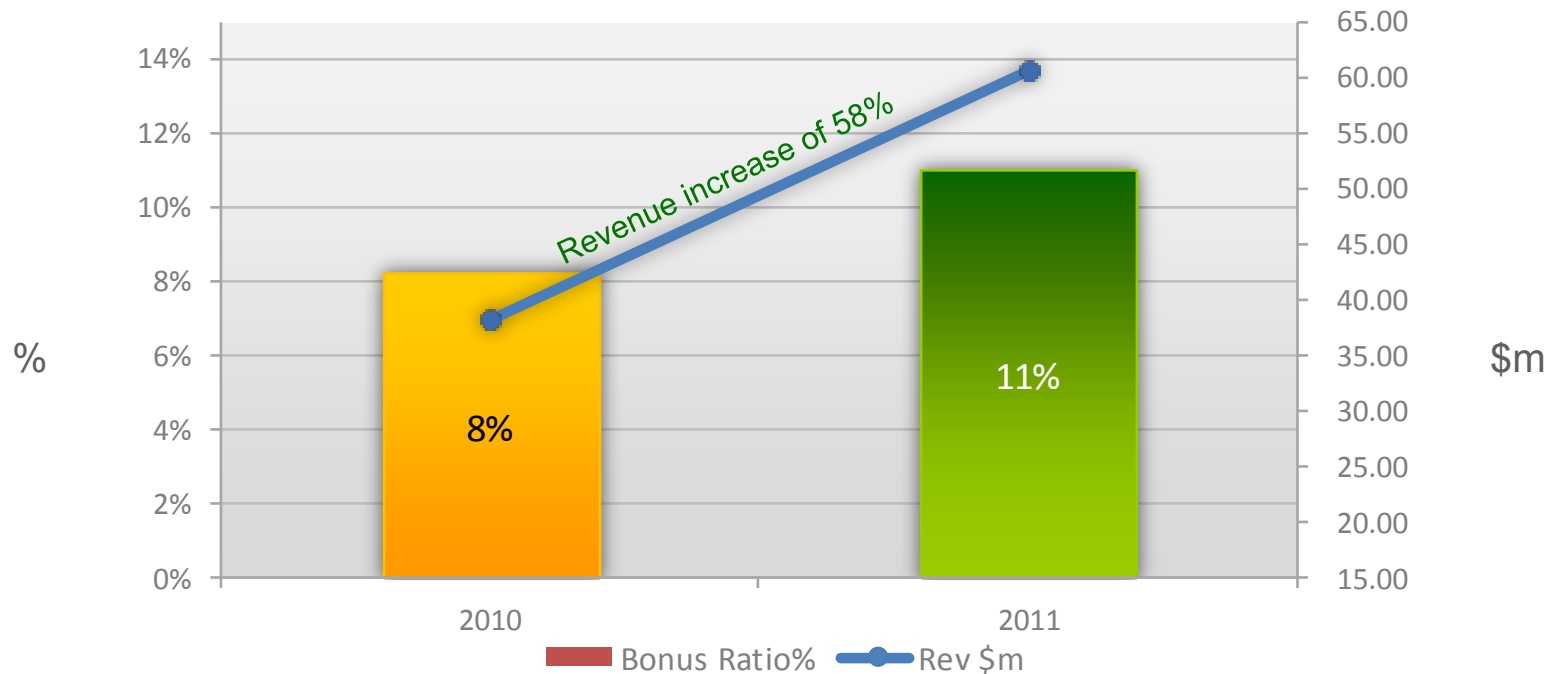


¹Excluding converted loyalty points

Customer Bonuses B2C Poker¹

- Poker revenue growth continue to be driven by optimal use of bonuses and CRM efforts, leveraging the 2011 industry events

Customer Bonuses as % of Revenue

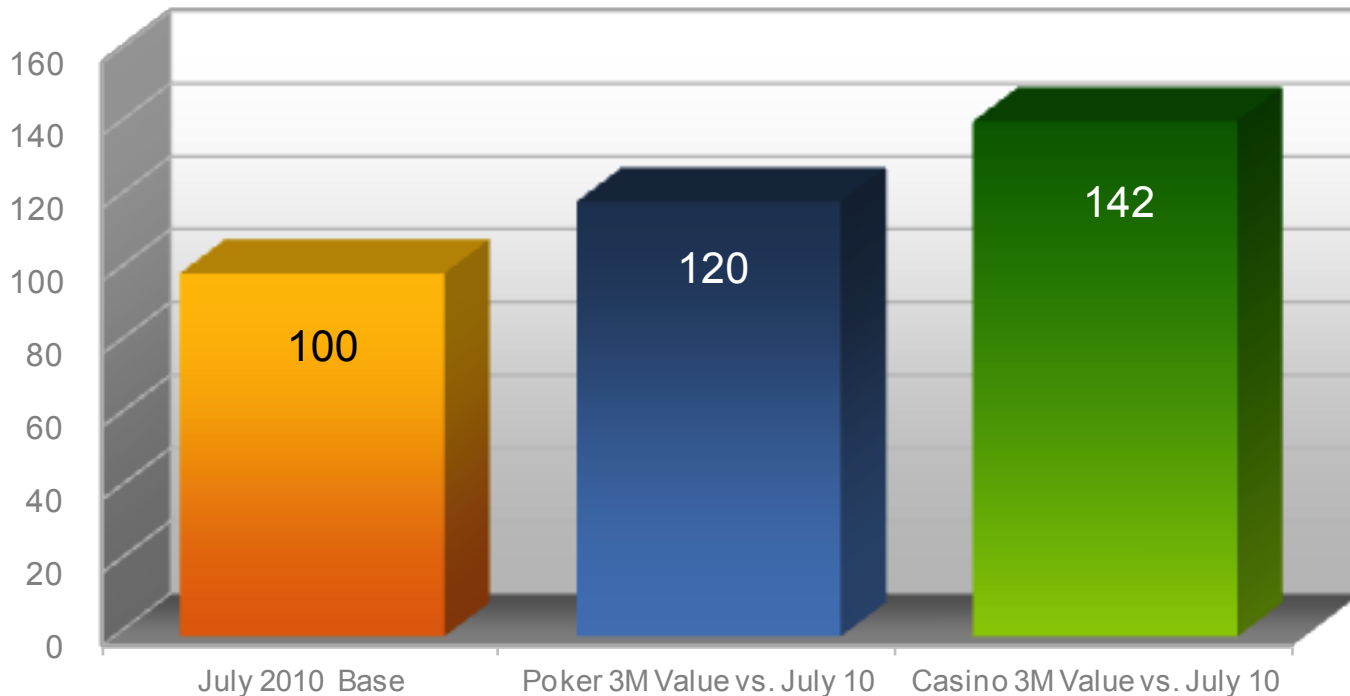


¹Excluding converted loyalty points

Players' Value Over Time

- Average revenue generated by new players during first 3 months (an indicator of life time value) **increase** over time (Jul 10 = 100)
- Casino first 3M up **42%** in value, Poker first 3M is up **20%**
- This reinforces the strong acquisition trend during FY 2011 and especially Q4

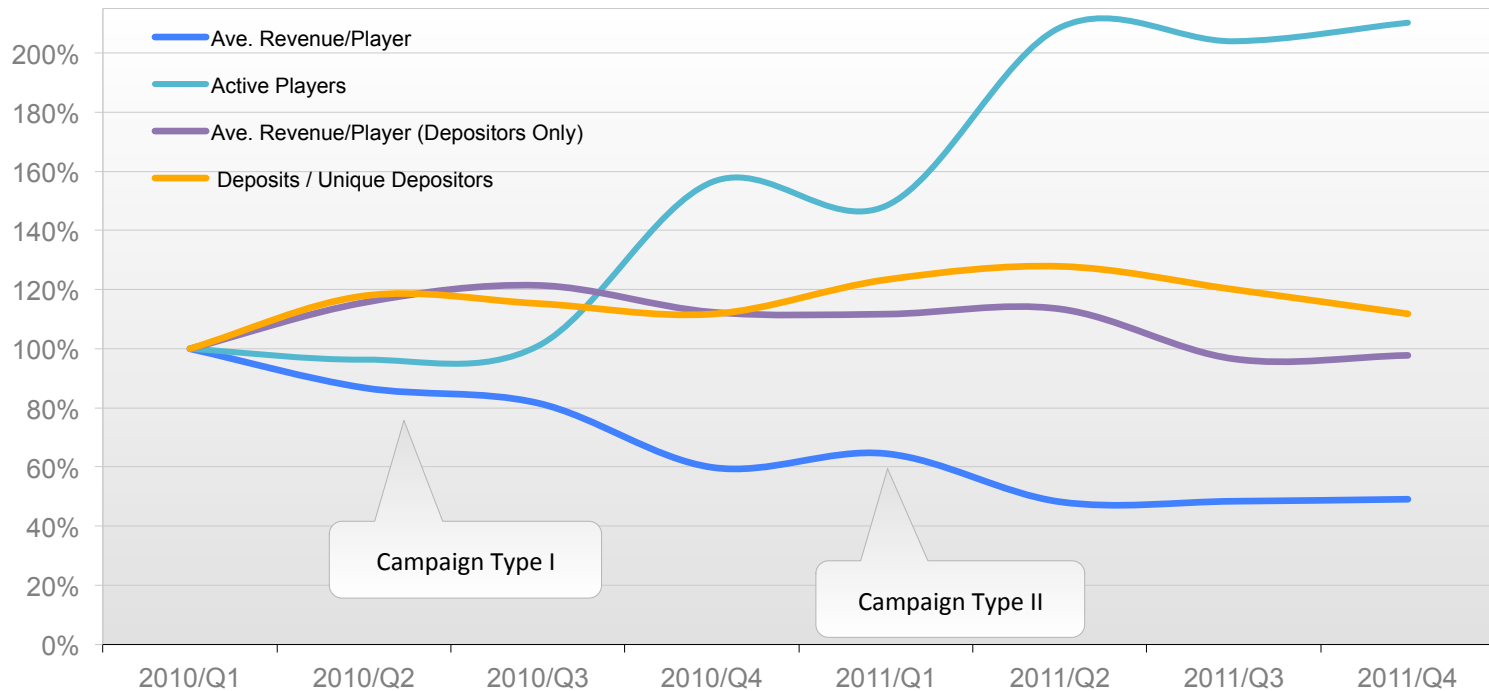
3 Month Ave. Revenue per player B2C Casino & Poker



The Impact of Active Players

- Average revenue/player is impacted by increase in actives
- Underlying deposits and LTV remain healthy

888Casino Ave. Revenue/Player Trend as of Q1 2010



Balance Sheet

\$m	31-Dec-11	31-Dec-10
Non-current assets		
Intangible assets	141.9	162.3
Property, plant and equipment	17.1	21.5
Deferred tax & Financial assets	0.6	0.8
Investment in equity accounted joint ventures	1.2	1.3
	160.8	185.9
Current assets		
Cash and cash equivalents	81.9	61.5
Trade and other receivables	26.5	24.3
Total Assets	269.1	271.8
Equity		
Share capital	3.3	3.2
Retained earnings and reserves	118.1	113.7
Total equity attributable to equity holders	121.3	117.0
Liabilities		
Current liabilities		
Trade and other payables	65.5	37.8
Customer deposits	45.0	34.7
Contingent consideration	37.4	78.0
Non-current liabilities		
Contingent consideration	-	4.2
Total equity and liabilities	269.1	271.8

* Rounded

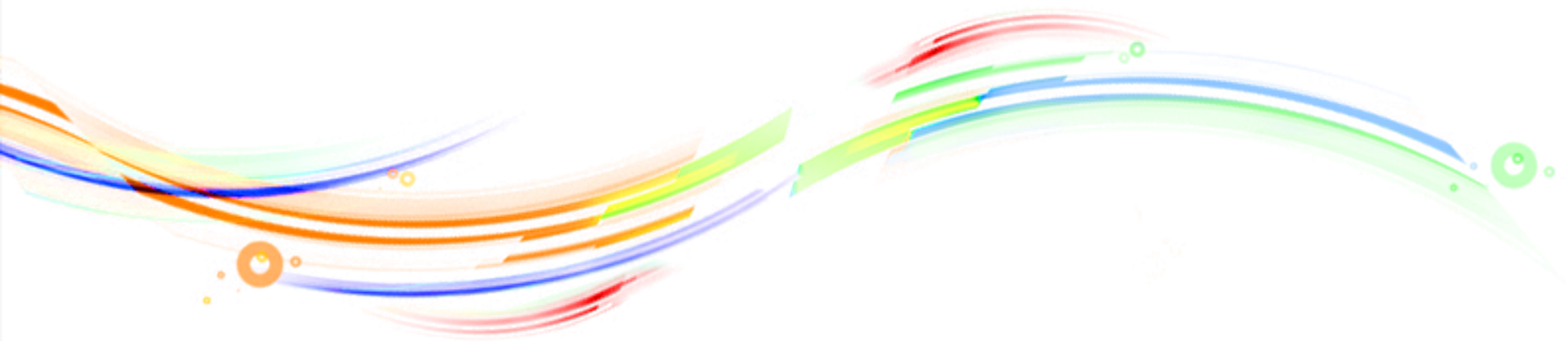
Cash Flow Statement

\$m Year to 31 December	2011	2010
Cash flows from operating activities		
Profit before tax	5.8	10.6
Goodwill Write-off	20.7	-
Share benefit charges	2.9	2.3
Depreciation & amortisation	13.0	12.3
Change in current assets and liabilities	36.1	(6.2)
Other non cash adjustments	4.6	0.9
Cash generated from operating activities	83.1	19.9
Tax paid	(4.3)	(3.7)
Net cash generated from operating activities	78.7	16.2
Acquisitions of Wink & MyTopia	(46.1)	(12.3)
Purchase of property, plant and equipment	(4.6)	(8.6)
Acquisitions & internally generated intangible assets	(4.3)	(6.2)
Other investment activity	0.2	(1.1)
Net cash used in Investing Activities	(54.7)	(28.3)
Interset paid in respect of Wink Acquisition	(3.7)	-
Dividends paid and share buy-back	-	(14.0)
Net increase (decrease) in cash and cash equivalents	20.3	(26.0)
Cash and cash equivalents - beginning of year	61.5	87.5
Cash and cash equivalents - end of year	81.9	61.5

* Rounded



ITAI FRIBERGER, COO | OPERATIONAL REVIEW



Goals and Focus

- Continue growth in core products
- Leverage position with in-house marketing agency and proprietary technology
 - Successful marketing campaigns have led to significant increase in brand awareness
 - YoY growth in searches for '888 Poker' up 209%, '888 Casino' up 153%, and '888' up 93%
- Product innovation – core games & platform enhancements
- Regulated market focus
 - Launch in Italy
 - Unique position in U.S. market
- Enhance technological infrastructure
- Strong customer acquisition and retention opens up B2B possibilities

Casino and Games

- Potential growth via marketing and product
- New Casino product – Casino 50
- 888 Games Studio and the GGP platform
- Mobile
- Segmented CRM – analytics
- Multi brands and cross-sell throughout the platform



Casino 50

LOBBY

888 casino

WELCOME luckylucky

MY FAVOURITES

MY ACCOUNT

? | 🔊 | 18+ | 15:01

SET MY LOBBY

LIVE CASINO

ROULETTE & BLACKJACK

SLOT MACHINES

JACKPOT GAMES

CARD & TABLE GAMES

VIDEO POKER & ARCADE GAMES

€309,167.20

MY RECENTLY PLAYED | TOP GAMES

HD

CITY LIFE

Millionaire Genie

€159,074.62

4

€6,920.62

CASHIER

€ 0.00

BALANCE

NEW GAMES

GO TO THE LAUNCH PARTY EVENT

00:43:47

TIME TO THE NEXT LOBBY SURPRISE

PROMOTIONS >

BIG WINNERS HIGH 5

€10,829

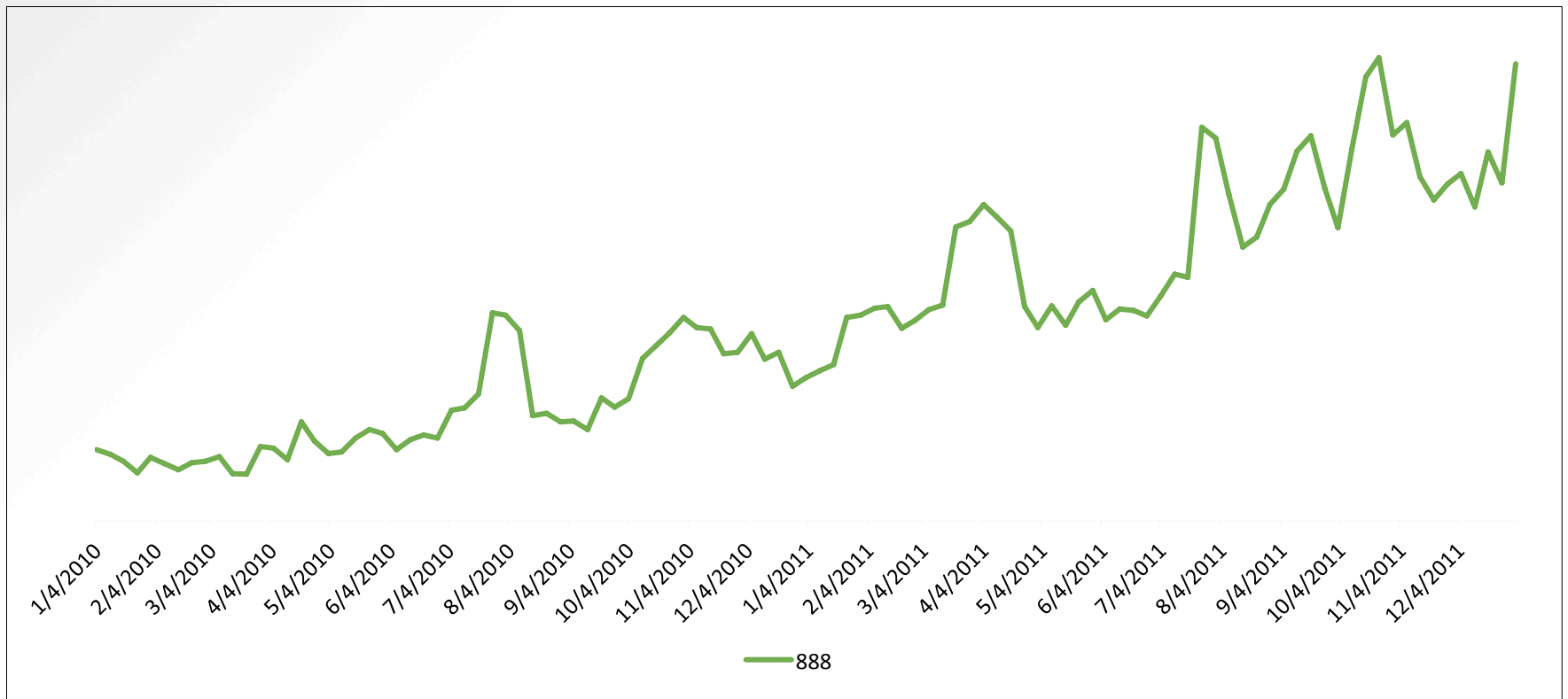
TALK TO US >

HELP >

GO TO PRACTICE PLAY

UK Casino – Searches for ‘888 and Casino’

- Successful marketing campaigns cause spikes in searches
- Strength of our product and CRM lead to ongoing uplift



888poker

- Leverage strong market position
- “We play different” strategy
- External brands (LG & Ryanair)
- Regulations
- On Tablets iOS & Android
- Poker Infra



eGaming Review Awards 2011

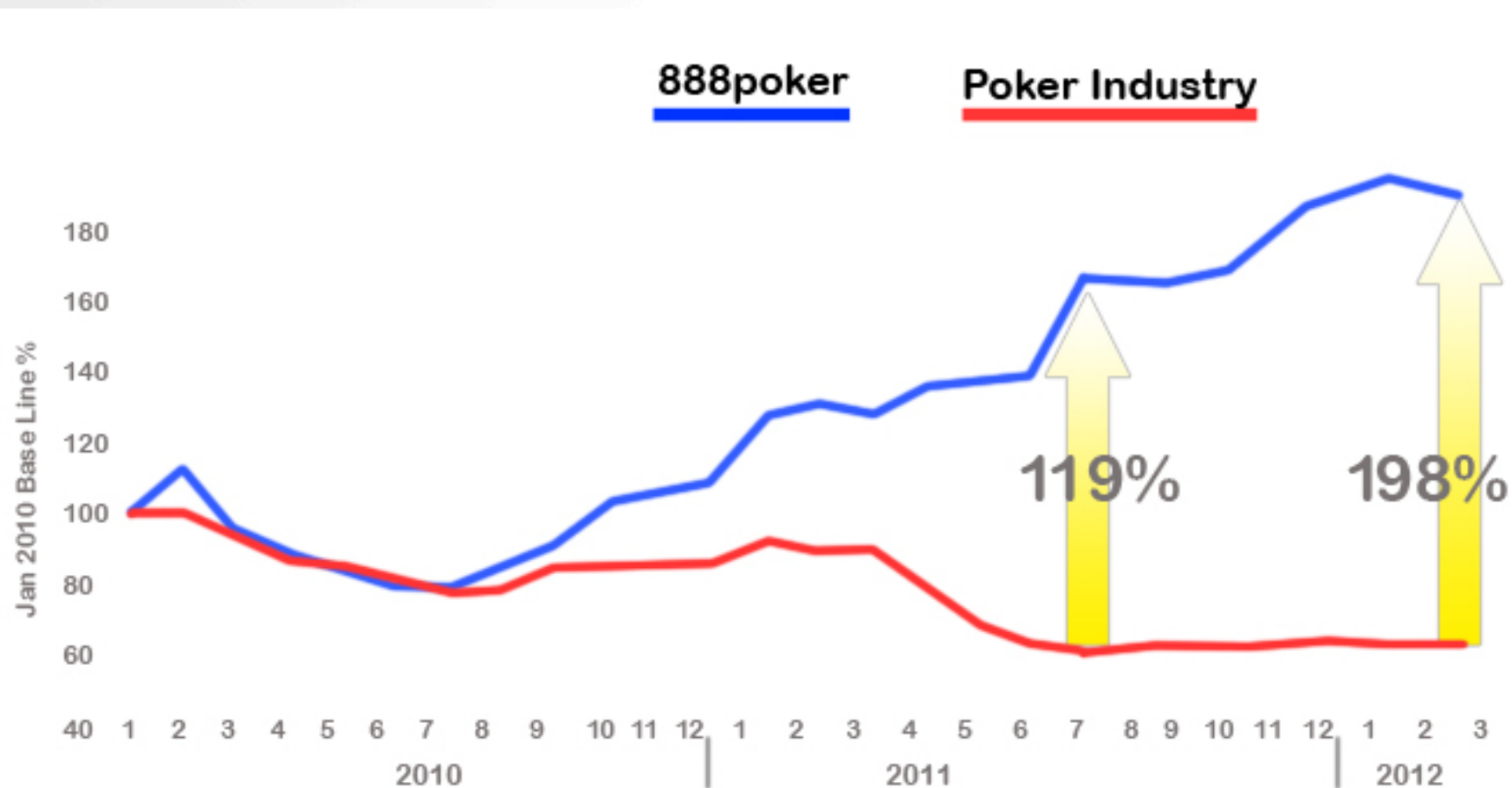
**Poker Operator
of the Year**



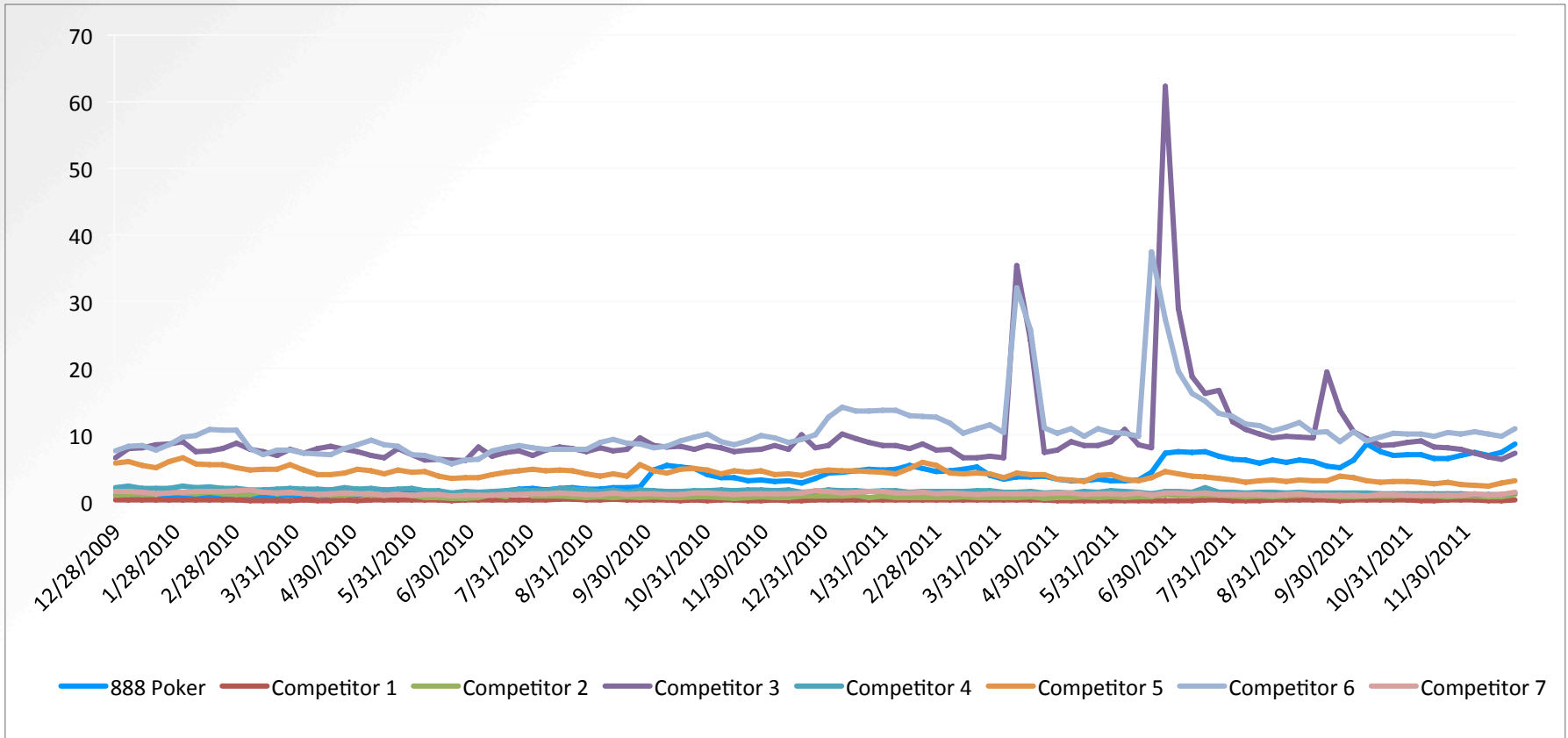
BEST ONLINE GAMING PRODUCT OF THE YEAR



888poker – Keeping the Trend

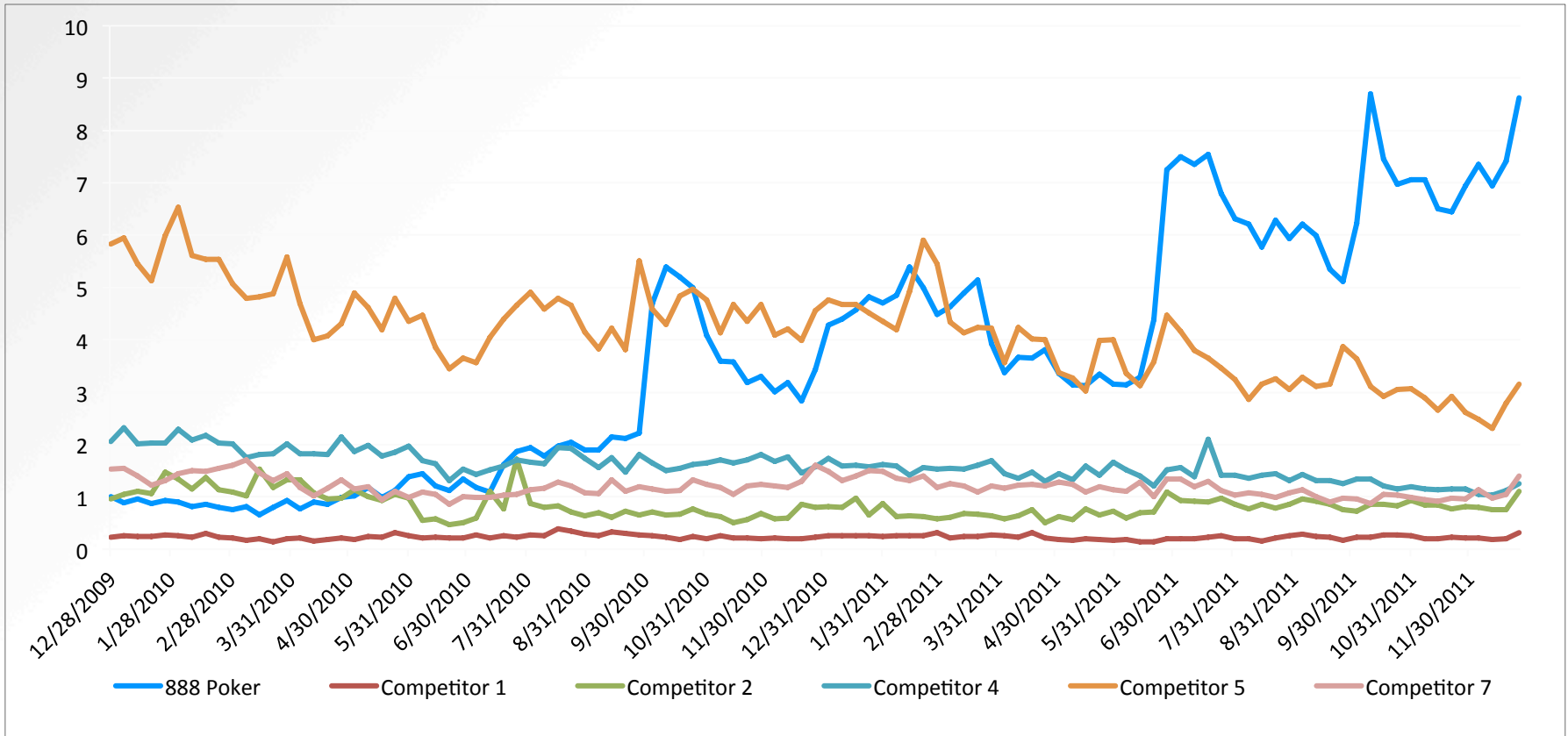


UK Poker – Searches by Brand Name



UK Poker – Searches by Brand Name

- 888Poker now second most searched for poker brand in UK



Bingo

- Focus on player value
- Bingo no back office
- More Games
- 27 new skins, 3 new Networks
 - BigBrother bingo
- Going forward:
 - Bonuses, Jackpots
 - Mobile



Sport

- 2011 into 2012
- Operational optimisation
- Capitalising on FIFA World Cup
- Euro12 and Olympic Games
- Sport is an opportunity for 888

- Widespread appraisal of contracts
- Launched CasinoFlex with leading Italian brands
- Caesars Interactive Entertainment
- More US deals anticipated





BRIAN MATTINGLEY, CEO | SUMMARY



Summary

- Focused, talented management team
- Focused on core strategy
- Innovative products embraced by customers
- Robust trading and strong cash generation
- Quality partnerships in new markets
- Investing now for longer term



Q&A

