

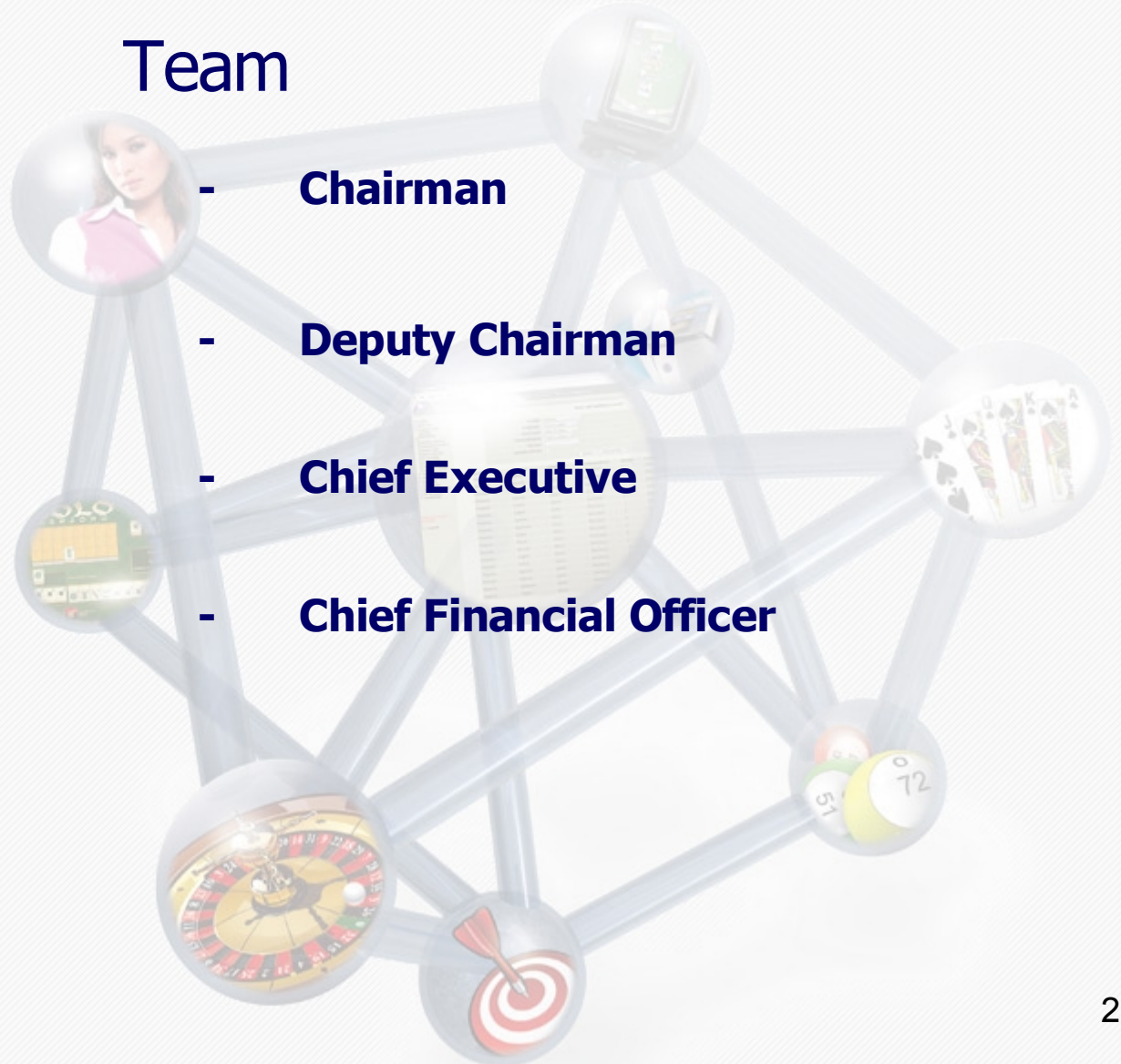
Presentation to Analysts

**Interim results for the six
months ended 30 June 2007**

4th September 2007

Team

- **Roger Withers** - **Chairman**
- **Avigur Zmora** - **Deputy Chairman**
- **Mor Weizer** - **Chief Executive**
- **Shuki Barak** - **Chief Financial Officer**



Agenda

- **Roger Withers** - **Introduction**
- **Mor Weizer** - **Operating Review**
- **Shuki Barak** - **Financial Review**
- **Mor Weizer** - **Outlook**
- **Roger Withers** - **Summary**
- **Questions & Answers**

Financial Highlights

- Total Revenues up by 80% to \$44.0 million (2006 - \$24.5 million excluding US revenues)
 - Casino revenues up by 53% to \$32.6 million (2006 - \$21.3 million excluding US revenues)
 - Poker revenues up by 275% to \$10.5 million (2006 - \$2.8 million excluding US revenues)
- Current monthly run rate now back to pre-October 2006 peak levels
- EBITDA (earnings before interest, tax, depreciation and amortisation), up by 2% to US\$30.7 million (2006 – \$30.2 million including US revenues)
- Basic EPS of 13.5 cents (2006 – 14.7 cents including US revenues)
- Interim dividend of 6.1 cents per share equating to approximately \$13 million to be paid on 19 October 2007.

Operational Highlights

- Acquired Tribeca assets fully integrated making Playtech the world's largest independent online poker network
- 12 new software licensees during the first half of the year - eight of which migrated from Tribeca - a level which historically has only been achieved over the course of an entire year
- Cross selling opportunities through the addition of supplementary gaming products to the licensees' games portfolios
- Ground breaking deal with Foundation

Development Capacity

- Move to product based development centres
- Successful integration of the new development centre in India
- Bulgarian subsidiary now fully established
- Successful integration of the new production centres in the Philippines supporting licensees' penetration efforts
- Faster time to market

Product Development

- Poker – the world largest independent network
- Casino – continuous development of the flagship product
- Bingo – upgraded downloadable version and new flash version
- Asian P2P games – under pilot with a potential Asian licensee
- Videobet – introduction of a new “switchable” technology
- Mahjong – development progressing as planned
- Mobile – featuring market leading casino product



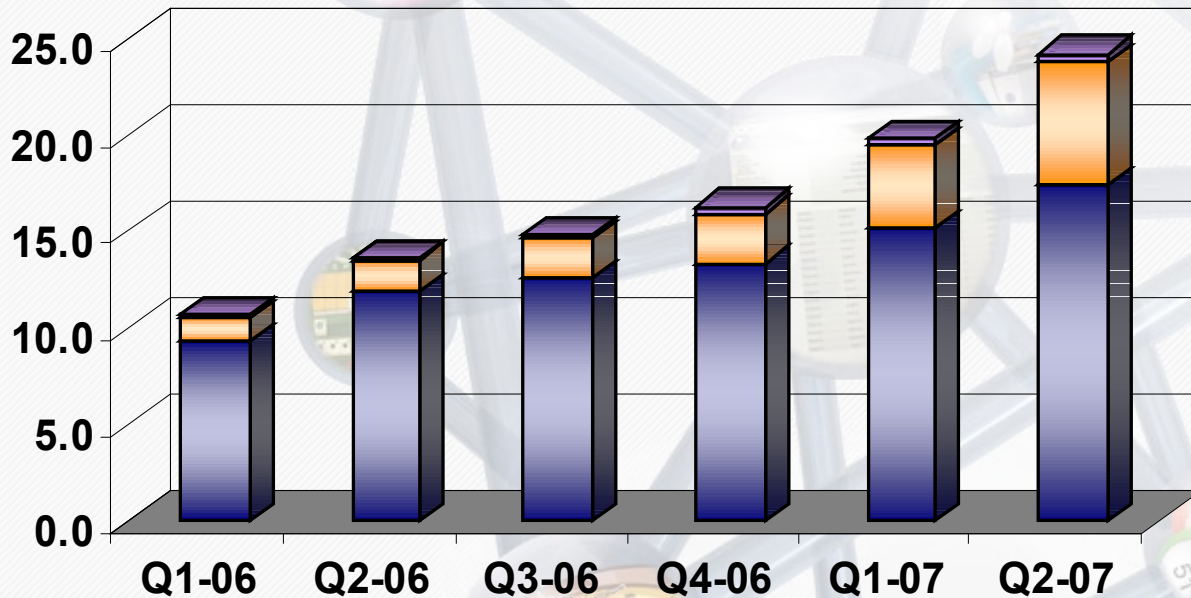
Profit & Loss

Six months ended 30 June

| | 2007 \$'000 | 2006 \$'000 | Change % |
|-------------------------------|----------------|----------------|--------------|
| Revenues | 43,966 | 46,178 | (5%) |
| Operating Expenses | (8,553) | (3,237) | 164% |
| Sales & Marketing | (5,859) | (3,746) | 56% |
| Development Costs | (769) | (395) | 95% |
| General & Administrative | (4,222) | (9,132) | (54%) |
| Operating Profit | 24,563 | 29,668 | (17%) |
| Financing and others net | 4,806 | 1,076 | 347% |
| Income before Taxation | 29,369 | 30,744 | (4%) |
| Tax Expenses | (387) | (254) | 52% |
| Net Income | 28,982 | 30,490 | (5%) |
| EBITDA | 30,703 | 30,171 | 2% |
| Basic EPS (¢) | 13.5 | 14.7 | (8%) |

Revenue by Quarters – Excluding US

Million US\$



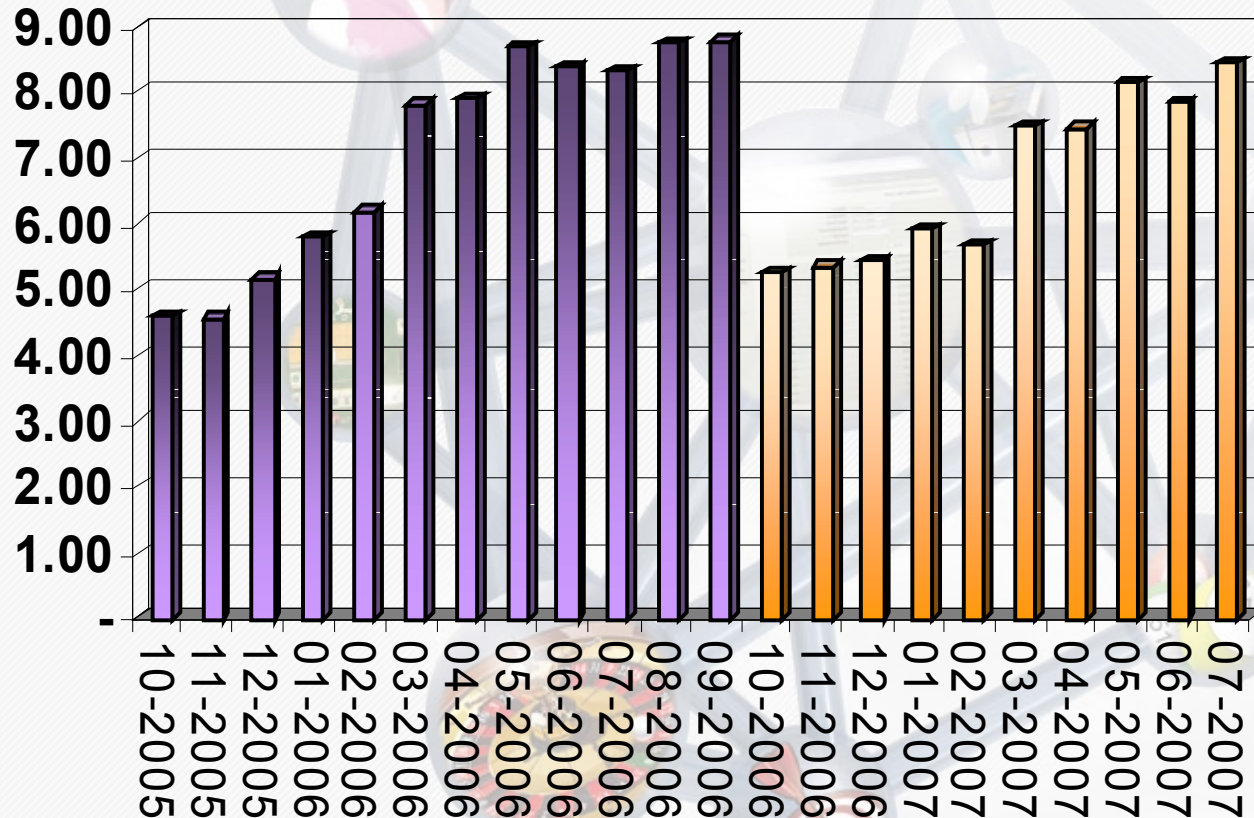
■ Casino

■ Poker

■ Others

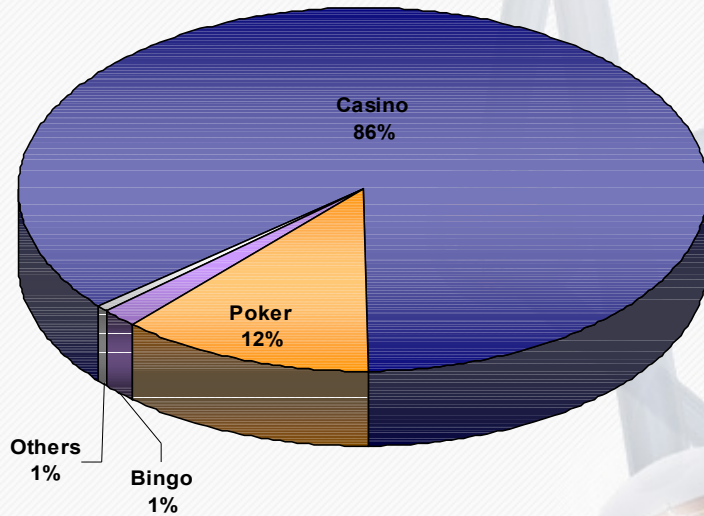
Royalties by Month

Million US\$

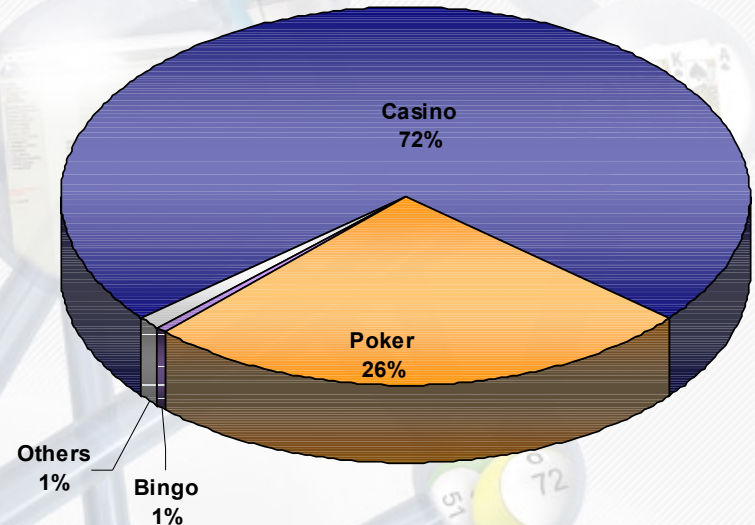


Revenues by Product

YE 2006



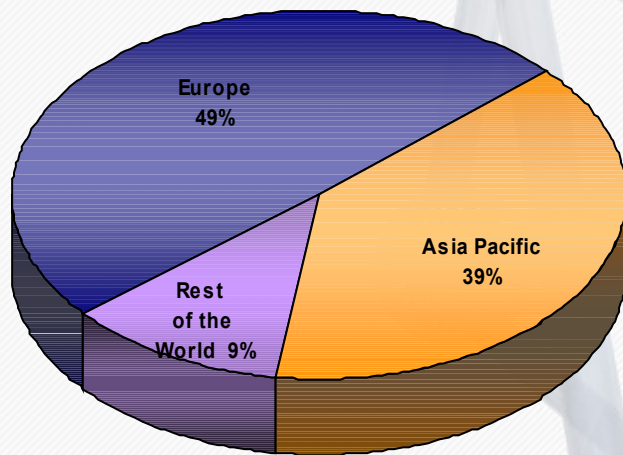
Q2 2007



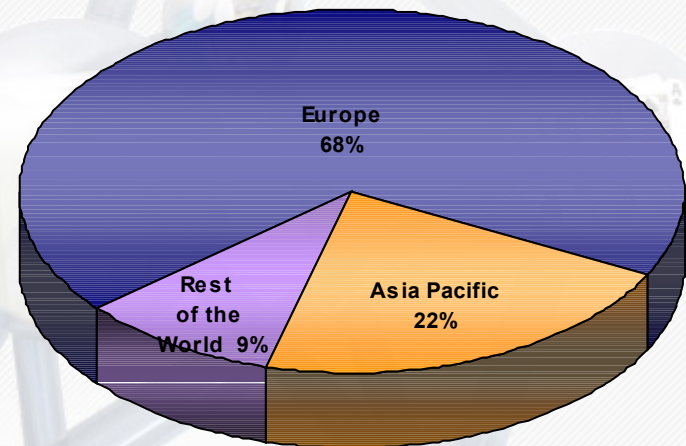
Geographic Diversification*

(Excluding US)

H1 2006

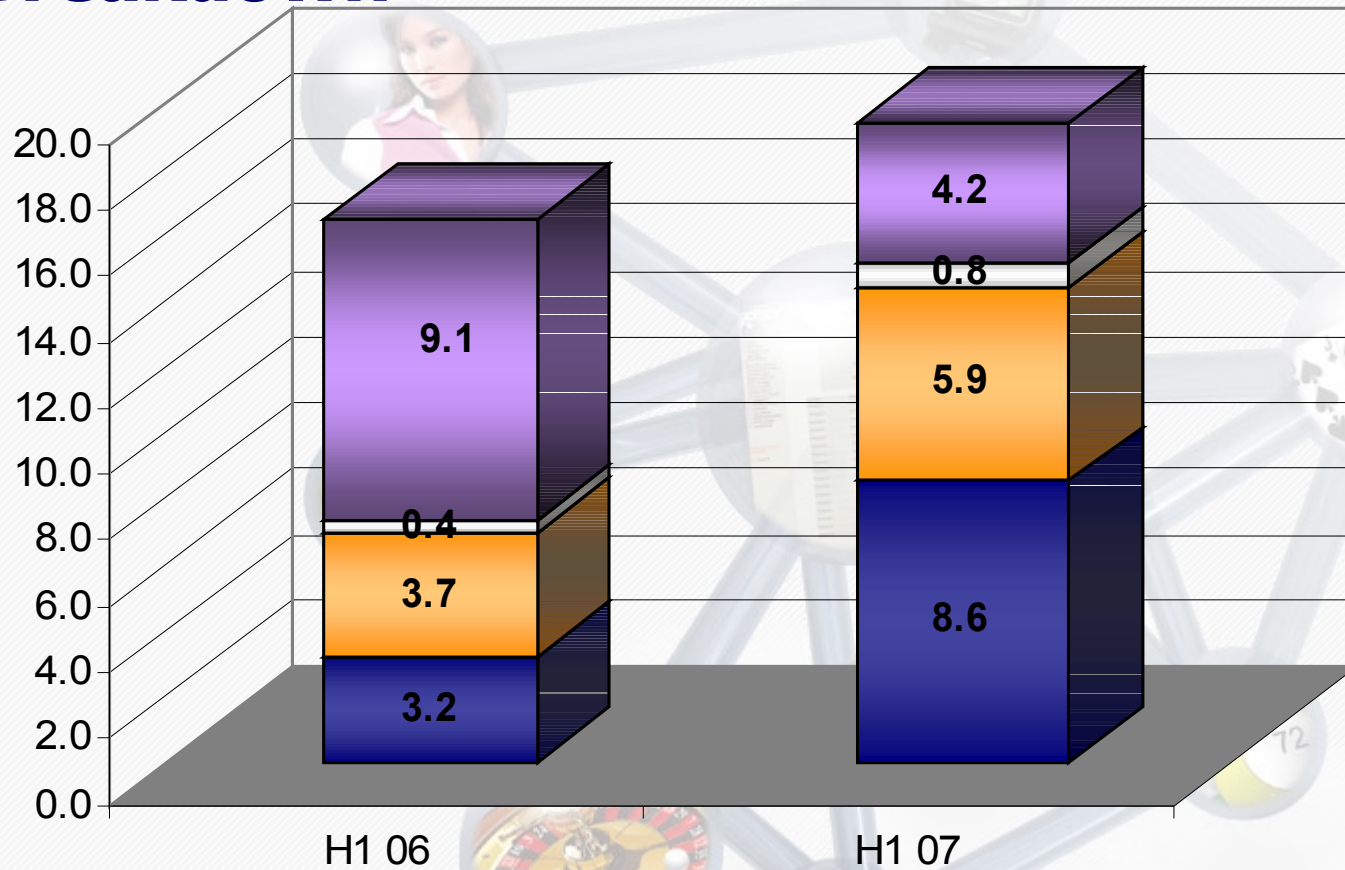


H1 2007



*Player revenue generated

Cost Breakdown



■ Operating ■ Sales & Marketing □ Development ■ Administrative

Tribeca Acquisition

- Signed in November 2006
- Migration completed successfully in March 2007
- Estimated Deal cost of \$59.5 million out of which:
 - \$41.1 million allocated to the acquired assets, mainly the migrated licensees
 - \$15.8 million allocated to goodwill
 - \$2.6 million allocated to financial expenses

Investment in Foundation

- Long term software license signed with Foundation to supply P2P games in China
- Two investments made in Foundation shares:
 - Investment of \$7.5 million at a discount of 15% of flotation price
 - Investment of \$6.5 million in zero coupon notes convertible into Foundation shares
- Foundation was re-listed on Hong Kong Stock Exchange at a flotation price of HK\$1.28 in March 2007
- The Group recorded deferred revenue of \$27.6 million

Balance Sheet

| | June 2007 \$'000 | December 2006 \$'000 |
|---|---------------------|-------------------------|
| Current Assets | | |
| Cash and Cash Equivalents | 78,554 | 101,403 |
| Other Current Assets | 56,802 | 7,537 |
| Total Current Assets | 135,356 | 108,940 |
| Fixed Assets | 3,805 | 3,015 |
| Intangible and Non-Current Assets | 61,720 | 4,482 |
| Total Assets | 200,881 | 116,437 |
| Current Liabilities | 77,604 | 11,565 |
| Non-Current Liabilities | 66 | 46 |
| Shareholders' Equity | | |
| Share Capital and Funds | 61,526 | 57,095 |
| Accumulated Profit | 61,685 | 47,731 |
| Total Liabilities and Shareholders' Equity | 200,881 | 116,437 |



Cash Flow

| | June 2007 \$'000 | June 2006 \$'000 |
|--|---------------------|---------------------|
| Net Income | 28,982 | 30,490 |
| Depreciation and Amortization | 2,840 | 503 |
| Founders' Cash Contribution to Employees | - | 6,566 |
| Employees Stock Options Expenses | 1,016 | 230 |
| Net change in Assets and Liability | (1,583) | 2,418 |
| Other Adjustments | (3,861) | (1,065) |
| Net Cash Provided by Operating Activities | 27,439 | 39,142 |
| Net Cash Used in Investing Activities | (38,231) | (2,537) |
| Net Cash Provided by (Used in) Financing Activities | (12,057) | 34,987 |
| Increase (Decrease) in Cash and Cash Equivalents | (22,849) | 71,752 |
| Cash and Cash Equivalents at Beginning of Period | 101,403 | 17,995 |
| Cash and Cash Equivalents at End of Period | 78,554 | 89,587 |

Current Trading and Outlook

- Healthy pipeline of new business coming in the second half of the year
- Further penetration into Asia through Foundation and potential licensees
- Additional income generated through cross selling opportunities
- Progress in the regulation of various jurisdictions creates new opportunities
- Continued strong new product pipeline

Summary

- Strong H1 results
- Diversity of licensees base to minimize risks
- New products being introduced
- New licensees being added
- Best of breed
- Looking to strong second half
- July/August in line with expectations

