

BETANDWIN.COM TO ACQUIRE ONGAME E-SOLUTIONS AB

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With 2 million registered customers, the **betandwin** Group is the leading provider of online gaming products in Continental Europe, and has set itself the goal of becoming the world's leading address for sports betting, gaming and entertainment on the Internet. Operating under licences issued in Austria, Germany, the United Kingdom and Gibraltar, the company's subsidiaries and affiliated companies offer sports betting, casino games, soft games, and person-to-person applications via Internet and mobile telephone. BETandWIN.com Interactive Entertainment AG has been listed on the Vienna Stock Exchange since March 2000 (ID code "BWIN", Reuters ID code "BWIN.VI"). Further information about the company can be found on its investor relations website at www.betandwin.ag.

You can expect exciting entertainment and gaming fun on the following websites: www.betandwin.com and www.playit.com.

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BETandWIN.com Interactive Entertainment AG (VSE: BWIN) announced today that it has entered into a Share Purchase Agreement (“SPA”) for the acquisition of 100% of the shares in Ogame e-solutions AB (“Ogame”). Ogame owns and operates, amongst other sites, one of the world’s leading poker websites, PokerRoom.com, and runs one of the fastest growing and most liquid poker networks as a B2B service provider.

As of 30 November 2005, Ogame had more than five million registered customers and in Q3 2005 more than 260,000 active real money players in its poker network, making it one of the largest worldwide. Last year net sales grew by approximately 253% with an operating margin of approximately 33%. More than 76% of Ogame’s net revenue is derived from poker games on its proprietary owned sites PokerRoom.com, HoldemPoker.com and EuroPoker.com.

Completion of the transaction is expected to take place within the first four months of 2006 and is conditional upon satisfaction of various conditions precedent, among them approval from **betandwin**’s supervisory board, various regulatory approvals, merger control clearances, satisfactory completion of a fundraising to finance the acquisition, and Ogame achieving net revenues in 2005 of not less than EUR 88.2 (USD 105) million and an EBITDA of not less than EUR 25.2 (USD 30) million.

The total consideration for 100% of Ogame will be calculated by using a contractually agreed multiple of 5.37 of Ogame’s net revenues in 2005 and is therefore expected to amount to at least EUR 473.6 million.

The consideration will be payable as follows:

- 40% in **betandwin** stock at an issue price of EUR 65.19 (average closing price during the 30 trading days prior to the announcement of 9 December 2005) with customary lock-up provisions of whereby no consideration shares can be sold within 6 months of the closing of the acquisition, with further restrictions limiting the volume of shares that may be sold in the market place for up to a further 18 months.
- 45% in cash to be raised from different sources the company is currently reviewing, including equity.
- 15% of the consideration will be retained by **betandwin** as a deferred contingent payment. This payment may be deferred until Q1 2009 and the final amount is subject to adjustment depending on certain financial criteria in 2006.

Norbert Teufelberger, Co-CEO of **betandwin**, commented the transaction: “The acquisition of Ogame significantly advances **betandwin**’s ambition to be a leading global provider of online gaming by combining the two company’s excellent platforms. The transaction is expected to be earnings accretive from the first year of consolidation. The acquisition enables us to establish **betandwin** as a one-stop, global gaming and sports betting brand significantly

earlier than either company could deliver independently. The opportunity to introduce new products to each company's player base, through cross selling and new product introductions, as and when regulation and systems allow, will be of significant benefit to both customers and shareholders."

Major strategic advantages of the combined entity are:

- Control of its IT development - best of breed IT systems. **betandwin**'s proprietary sports betting platform combined with Ogame's in-house developed poker and casino system.
- Complementary regional focus. **betandwin** is a leader of online gaming in Continental Europe and Ogame is one of the leaders in online poker in the US and Canada.
- Excellent cross selling potential. There are significant opportunities to introduce existing products from both **betandwin** and Ogame to the other's customer base. Post completion of the acquisition these opportunities will be subject to detailed further business planning.
- Addition of excellent management team. Ogame brings with it an experienced management, adding depth and specialist poker expertise to **betandwin**.

Manfred Bodner, Co-CEO of **betandwin** said,

"Operationally, we will initially run Ogame and **betandwin** with their existing management teams. We will of course quickly address how to best harmonise our combined marketing efforts whilst we study how most efficiently to combine our human and technical resources. We are delighted that Patrik Selin, CEO of Ogame, and his management team will join our team in order to make our vision, to build a leading global online gaming player, come true."

"We are happy to join a group that has demonstrated its capability to successfully grow and diversify its proven business model", says Patrik Selin. "Together we will have an increased capacity to further develop our leading positions in sports betting and poker, and expand our offerings, including our poker network, to third parties while launching global campaigns for our proprietary brands."

betandwin is advised by Dresdner Kleinwort Wasserstein on various aspects of the transaction.

Ogame is advised by HSBC Bank plc.

Further announcements in respect of the above transaction will be made when appropriate.