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Playtech Limited
08 December 2009

Acquisition of Gaming Technology Solutions

Playtech Ltd, the leading provider of software to the online, mobile and land based gaming sector, today announces it has entered into an agreement to acquire the entire issued share capital of Gaming Technology Solutions Limited (GTS). GTS is a rapidly growing gaming software business and one of the largest game aggregators in the industry.

The consideration for the acquisition of GTS comprises an initial amount of approximately €10.8m and further consideration based on the profitability of the GTS business over the next two years capped at €21.6m. The initial amount has been financed from Playtech's existing cash resources.

GTS provides its gaming solutions to some of the most well established gaming companies in Europe. GTS has agreements with 15 licensees and 30 separate internet gaming brands, including many of the well known large European Sportsbooks, along with Bingo and Casino operators. Of these, there are more than 10 well established operators not currently Playtech casino licensees.

GTS has developed its Enhanced Gaming Engine (EdGE) open gaming platform which provides access to products from a diverse range of game developers and content providers. The platform is highly regarded for its cutting edge functionality and flexible connectivity. This greatly aids the ability of an operator to fully integrate a player's wallet into one account across all games and products. EdGE also facilitates rapid delivery of new content across multiple languages, currencies and domains and games can be delivered as browser-based or downloadable client products.

GTS has partnered with 19 games content providers with 200 integrated fixed odds, virtual sports, table games and slots from a combined catalogue of well over 500 games. Many incorporate recognised brands, rich feature functionality and graphics which help develop considerable player loyalty. The games are created internally or sourced from GTS's established network of third party game developers across the world, which EdGE is able to seamlessly integrate.

For Playtech, the acquisition brings a highly regarded open platform, a range of games which complement its own core in-house products, and an enhanced product pipeline. The combination will produce a very substantial games selection library for operators for both casino and soft games. EdGE can be integrated within Playtech's class-leading Integrated Managed Solution (IMS) player management system and as such can substantially increase an operator's capacity for cross-selling onto higher margin products.

GTS has a strong track record of games integration and has enjoyed considerable recent growth. For the 12 month period ended June 2009, GTS recorded revenues of £2.6m and adjusted PBT of £0.3m, before amortisation of intangibles of £1.8m.

Playtech's CEO, Mor Weizer commented:

"We are delighted to welcome the GTS team which will enhance our capabilities in an important complementary product area by bringing a sophisticated technology platform and a portfolio of top quality games as well as suite of new clients. The success of the games sections in sports betting operators sites is evident and this deal will give Playtech greater exposure to what is one of the fastest growing industry segments. GTS has amongst its licensee base many of the most well established European sportsbetting operators and we look forward to developing closer ties with them.

"This is an important strategic acquisition for us and reflects our commitment to provide a comprehensive range of innovative gaming products. We are positioning Playtech as the independent software provider of choice with market leading integrated technology and a complete portfolio of best of breed gaming products. We see this deal as furthering what is already Playtech's competitive advantage in the growing online gaming market."

Steven Matsell, GTS's Business Development Director added:

"GTS's strategy is very much in line with Playtech's - to be the recognised market leader as a dedicated B2B software provider. This deal will underpin the growth of the platform and we very much look forward to the future as part of the Playtech team."

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About Playtech

Playtech develops unified software platforms for the online and land based gambling industry, primarily targeting existing online operators wanting to upgrade their system; sportsbooks looking to diversify and land-based operators making their online debut. Playtech gaming applications - online casino, poker, bingo, mobile gaming, live gaming, land-based kiosk networks and fixed-odds games - are fully inter-compatible and can be freely incorporated as stand-alone applications, accessed and funded by players through the same user account and managed by the operator by means of a single powerful management interface. Founded in 1999, Playtech has more than 800 personnel distributed globally, around seventy five percent of whom are engaged in research and development of current and future gaming technologies.
www.playtech.com

About GTS

GTS has been involved in the creation of betting games delivered on a proprietary open gaming platform since April 2005. Its games development company vsGaming is experienced at inventing and delivering game formats that are entertaining to play and profitable for Operators. GTS software solutions company vsTechnology produces a software gaming platform (EdGE) that enables games to be developed and delivered across a range of internet devices including mobile phones. .
www.gtsplc.com

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