

Interim Management Statement of Fortuna Entertainment Group N.V. for the period from January 1, 2012 to May 10, 2012

FIRST QUARTER 2012 GROSS WIN UP 15.9% YOY, PROFITABILITY MAINTAINED

AMSTERDAM/Warsaw/Prague – Fortuna Entertainment Group, the leading Central European fixed-odds betting operator recorded total Gross Win of EUR 30.7 million during the first quarter of 2012, an increase of 15.9% compared to the same period last year, according to the preliminary unaudited financial results. This superb outcome was achieved with the stable performance of top line amounts staked of EUR 113.8 during first three months of 2012.

“The double-digit growth in Gross Win and other key figures reported by Sport Betting division has been mainly driven by a successful expansion of on-line betting in all core markets, including our new regulated business in Poland,” said Wilf Walsh, Vice Chairman and Interim CEO of Fortuna Entertainment Group. *“This, together with the stabilization of the retail business, enables Fortuna to report solid results while continuing with the development of our new Lottery business in the Czech Republic at the same time.”*

Sports Betting

In the first three months of 2012 Amounts Staked from sports betting amounted to EUR 108.6 million, which is 4.9% less than in the same period last year. This is primarily down to the loss of a handful of large staking high rollers in both the Czech Republic and Slovakia – underlying performance excluding these customers means amounts staked actually grew by 1%. This represents an encouraging performance and Fortuna expects to see this trend continue as 2012 proceeds towards the Euro 2012 football tournament. Although the volume of bets accepted in the first quarter 2012 declined on annual basis, it still exceeded amounts recorded in the second, third and the fourth quarter of 2011.

Out of this, Gross Win from sports betting grew 6.1% yoy and totalled EUR 28.1 million.

The recorded results were driven in particular by the increasing revenues of the online sports betting business. **Gross Win from online sports betting in the first**

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quarter of 2012 rose 24.2% yoy to EUR 10.2 million, primarily on the back of the growth in the Polish and Czech markets.

Gross Win from retail sports betting in the first quarter 2012 was EUR 18 million, down 1.9% yoy. The moderate decline in retail betting concerned primarily the more mature Czech market while in Slovakia and Poland, the land network sports betting remained stable or slightly grew respectively.

EBITDA from sports betting amounted to EUR 9.6 million in the first quarter of 2012, which is 13.8% more than in the first quarter 2011. This is a result of rising profitability and prudent operating cost control.

Sports Betting - Poland

Poland accounted for a 13.1% share of total Amounts Staked in the first quarter of 2012, compared with a 11.9% share in 2011. **Total Amounts Staked in Poland reached EUR 14.9 million in the first quarter of 2012, 9.9% more than last year.** Thanks to the introduction of on-line sports betting in Poland at the end of January 2012, the Company has been able to avert the declining trend of accepted bets from previous periods.

Gross Win from betting in Poland reached EUR 6.1 million in the first quarter of 2012, an increase of 14.7% yoy. Gross Win from the newly introduced on-line betting was EUR 619 thousand. Gross Win from retail betting in Poland increased in the first quarter of 2012 by 3.2% yoy and totalled EUR 5.5 million.

Regulatory developments in Poland concerning on-line betting enabled the launch of internet betting at the end of January 2012. Fortuna launched the on-line sport betting as the very first licensed operator in Poland with over 20,000 pre-registered customers. Currently, there are over 9 000 registered on-line users.

In mid-March 2012, Fortuna zakłady bukmacherskie, Polish subsidiary of Fortuna Entertainment Group NV obtained permission from the Polish Minister of Finance to operate 80 new betting shops. Most of them were previously owned by Tipsport PL – a company controlled by TIPSPORT a.s. The acquisition enabled Fortuna to expand its retail network in Poland to 474 shops and become the biggest Polish betting operator by total number of betting outlets. The outcome from the shops previously operated by Tipsport will be fully consolidated for the next quarter financial results.

Sports Betting - Czech Republic

The sports betting in the Czech Republic generated 51% of total amounts staked for the Company in the first quarter of 2012, down from 53.3% share in the same period

last year. **Total Amounts Staked** came to EUR 58.1 million, 4.6% less than in the first quarter of 2011.

Gross Win from sports betting in the Czech Republic amounted to EUR 12.6 million in the first quarter of 2012, 7.0% more than in the previous year. This growth was driven primarily by the on-line growth; **Gross Win from the on-line segment climbed by 32.3% yoy and amounted to EUR 5.8 million.** In contrast, Gross Win from retail sports betting in the Czech Republic declined 8.0% yoy and totalled EUR 6.8 million.

Sports Betting - Slovakia

The share of Slovakia in regard to total Amounts Staked in the first quarter of 2012 reached 30.4%, and decreased from 34.3% stake in the same period in 2011. Total Amounts Staked reached EUR 34.6 million in the first quarter of 2012, 11.6% less than in 2011, mainly because of the above mentioned one-off limitation of high-rolling customers at the beginning of 2012.

Gross Win in Slovakia amounted to EUR 9.3 million in the first quarter of 2012, unchanged if compared with the last year (a 0.1% decline). Gross Win from on-line betting was EUR 3.7 million, 1.7% less than in 2011. Gross Win from retail betting in Slovakia increased by 1.3% yoy and totalled EUR 5.6 million.

Sports Betting - FortunaWin

Total amounts staked of FortunaWin based in Malta reached EUR 1 million in the first quarter of 2012, up by 75% compared with the first quarter 2011. Gross Win from betting was EUR 40 thousands in the first three months of 2012, by 8.1% more than in the same period last year.

Lottery Business in the Czech Republic

Amounts Staked from Fortuna Lottery reached EUR 5.2 million in the first three months of 2012. Gross win from lottery amounted to EUR 2.6 million. These figures are not comparable with 1Q 2011 when lottery was under preparation.

In the same reporting period, EBITDA from lottery came to negative EUR 1.2 million due to start-up costs driven by marketing costs and further development of distribution network.

At the end of April 2012, Fortuna announced a launch of a new lottery game SUPERLOTO which is aimed to become the prime numerical game in the Company's portfolio. This new game started on May 2nd, 2012.

The mechanics of SUPERLOTO is very similar to its main game Loto. Once again, six numbers are selected from 49, plus a colour, but one of four. Draws will take place three times a week, instead of twice and the price of one column bet is just CZK 12 (EUR 0.5). SUPERLOTO will pay out on 55% of bets received. Tickets are available throughout the Loterie Fortuna network, i.e. at Fortuna own shops, supermarket tobacconists, in large shopping centres and at other independent retailers across the Czech Republic.

In January 2012, Fortuna brought to the market four new editions of scratch card - Zlatá cihla (Golden Brick), Medvídci (Bears), Šťastná podkova (Lucky Horseshoe) and Pavouček štěstí (Lucky Spider) and continues to build up its scratch card portfolio.

Group Results Overview

A total Amounts Staked figure for the first quarter of 2012 was EUR 113.8 million, a stable year-on-year performance with a modest 0.3% decline compared to the first quarter of 2011. In the first quarter 2012, **total Gross Win reached EUR 30.7 million, an increase of 15.9% if compared with the first quarter 2011 which is an excellent result.**

In the first quarter of 2012, total EBITDA remained stable at EUR 8.4 million, composed of the 13.8 % growth in sports betting to EUR 9.6 million and negative lottery EBITDA of EUR 1.2 million.

Dividend Payment

The Management Board of Fortuna Entertainment Group N.V. decided at its meeting held on April 5, 2012 that it will propose a gross **dividend per share of EUR 0.23** at the upcoming Annual General Meeting of Shareholders which will take place on 25 May 2012. The proposed dividend record date is June 8, 2012. On June 6, 2012, the shares will be listed ex-dividend. Actual payment of dividend shall occur ultimately on June 25, 2012.

There have been no material events, transactions or changes in the financial position of the Group other than as outlined in this statement. Furthermore, the Board of Directors is not aware of any material events, transactions or changes in the financial position of the Group which have occurred since January 1, 2012 up to and including May 10, 2012 – the date of the publication of this Interim Management Statement.

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Appendix - Selected financial figures (consolidated, unaudited)

Fortuna Entertainment Group NV Total

(in thous. EUR)	Q1 2011	Q1 2012	Change in %
Amounts Staked	114,158	113,838	(0.3%)
<i>Sport Betting</i>	114,158	108,609	(4.9%)
<i>Lottery</i>	0	5,229	n/a
- Scratch Tickets	0	1,110	n/a
- Numerical Games	0	4,119	n/a
Gross Win	26,503	30,718	15.9%
<i>Sports Betting</i>	26,503	28,129	6.1%
- online	8,175	10,154	24.2%
- retail	18,328	17,975	(1.9%)
<i>Lottery</i>	0	2,589	n/a
- Scratch Tickets	0	397	n/a
- Numerical Games	0	2,192	n/a
Revenue	23,214	27,269	17.5%
EBITDA	8,429	8,405	(0.3%)
- sports betting	8,429	9,591	13.8%
- lottery	0	(1,186)	n/a

Fortuna Entertainment Group NV: Sports Betting Segment

(in thous. EUR)	Q1 2011	Q1 2012	Change in %
Amounts Staked Sport Betting	114,158	108,609	(4.9%)
Gross Win Sports Betting	26,503	28,129	6.1%
- online	8,175	10,154	24.2%
- retail	18,328	17,975	(1.9%)
Revenue	23,214	24,677	6.3%
EBITDA sports betting	8,429	9,591	13.8%

Fortuna Entertainment Group NV: Czech Republic Lottery

(in thous. EUR)	Q1 2011	Q1 2012	Change in %
Amounts Staked Lottery	0	5,229	n/a
- scratch tickets	0	1,110	n/a
- numerical games	0	4,119	n/a
Gross Win Lottery	0	2,589	n/a
- scratch tickets	0	397	n/a
- numerical games	0	2,192	n/a
Revenue	0	2,592	n/a
EBITDA lottery	0	(1,186)	n/a