

FOR IMMEDIATE RELEASE
23 September 2009

WEBIS HOLDINGS PLC
("the Company" or "Webis")
PRELIMINARY RESULTS FOR THE 53 WEEK PERIOD ENDED 31 MAY 2009

Webis Holdings plc, the global on-line gaming group, today announces its preliminary results for the period.

Highlights are:

- Profit for the period of £452,000 (2008: Loss of £347,000)
- Earnings at EBITDA level for the period increased to £757,000 (2008: £215,000)
- Group turnover increased by 19.5% to £140.1m (2008: £117.2m)
- betinternet.com sportsbook turnover rose by 24% to £107.9m (2008: £86.8m)
- European Wagering Services pari-mutuel turnover grew by 6% to £32.3m (2008: £30.4m)
- Shareholders' equity increased to £694,000 (2008: £207,000)

Commenting on the results, Denham Eke, Chairman of Webis Holdings plc, said: "I am pleased to be in the position of reporting a strong improvement in the figures for the last financial year, which covered a period of uncertainty throughout the global economy. Webis Holdings has strengthened its position within its target markets through an increased marketing spend, which has enhanced revenue streams in the group".

ENDS

For further information:

Webis Holdings plc
Garry Knowles, Managing Director
Damon Waddington, Finance Director

Tel: 01624 698141

Evolution Securities
Joanne Lake/Peter Steel

Tel: 0113 2431619

Notes to editors:

The following are attached:

Chairman's Statement
Operational Review
Consolidated Income Statement
Consolidated Balance Sheet
Statement of Changes in Shareholders' Equity
Consolidated Cash Flow Statement
Notes to the Accounts

Chairman's Statement

Introduction

It gives me great pleasure to report the results of Webis Holdings plc for the financial year ended 31 May 2009. The Company has again generated strong growth during the year and this is reflected in a 20% increase in Group turnover to £140m (2008: £117m) and a £542,000 increase in EBITDA to £757,000 (2008: £215,000). The Group

also generated a pre-tax profit of £452,000 (2008: £347,000 loss).

During the year, the Company made a number of advances within its pari-mutuel operation, European Wagering Services Limited ("EWS") and its sportsbook operation, betinternet.com (IOM) Limited ("betinternet") despite the challenging global economic climate.

European Wagering Services

EWS' business model has remained resilient and the operation has successfully widened its sources of income across its call centre, internet and B2B revenue streams and is now generating good growth through the upgraded link2bet.com website, which was launched in September 2008. The strategy of bringing website development work in-house has had a positive impact as this has enabled us to maintain better control over our schedule of planned program enhancements. The board anticipates that business through the website will continue to be the key growth area for EWS in the forthcoming year and plans to invest in additional development resource to enable us to further improve our customers' experience within a shorter timeframe.

As planned, we have upgraded some of our EWS technical hardware systems to assist with the integration of additional payment solutions to the link2bet website. These upgrades have the added benefit of enhancing reliability and access to the hub for our B2B customers and provide us with a platform to build future improvements more speedily and effectively.

In addition to these technical advances, increasing racetrack content has also been a continuing key focus of the EWS operation. The previously notified approval to use Churchill Downs and Magna racetrack content is still pending, whilst the board reviews the potential impact of Magna Entertainment Corp's unexpected filing for Chapter 11 bankruptcy in the United States. We continue to monitor developments and assess our position in relation to this matter.

EWS has built up a strong relationship with its California-based racetrack settlement agent and this has resulted in a more efficient and cost-effective collection process. Recently, a small number of minor racetracks in the US have entered administration, indicating how the economic downturn is impacting leisure spend in the US. EWS has a limited exposure to racetrack failures and the board regularly monitors its position on a track-by-track basis to keep this exposure to a minimum.

betinternet

The betinternet.com sportsbook saw growth in full year turnover, particularly during the second half as a result of an increased marketing spend and the introduction of a new affiliates' scheme that was launched in November 2008.

The Company's strategy has been to commit to a sustained run of horse racing sponsorship to re-establish the betinternet brand in the UK and Ireland. We have now been sponsoring regularly for over 18 months, predominantly at 'tier-one' racetracks including Ascot, Newmarket and Sandown Park. This sponsorship brings us strongly targeted brand exposure, especially where there is the added benefit of terrestrial television coverage in the UK and it is pleasing to see that this strategy continues to attract new customers to the website. Our horse racing betting turnover has gone from zero in 2007 to represent over 11% of our overall turnover in the last month of the financial year, with the majority of this business having been generated by new customers.

Another instant contributor to our sportsbook's growth has been the introduction of an enhanced 'In-Running' football offering, which allows our customers the opportunity to bet on matches as they are being played. We are now able to provide a number of different betting markets on a substantially increased number of live matches and have recruited specific 'In-Running' traders to augment this improved service.

Our new affiliate scheme has made a strong positive impact on our rate of customer acquisition. We are now offering a very competitive revenue share to affiliates for sign-ups through this scheme and are working closely with our affiliate partner, Income Access, to make our offering more attractive.

Overview of Results

The results for the financial year ended 31 May 2009 show Group turnover increased to £140 million (2008: £117 million) and gross profit increased by 21% to £3.4 million (2008: £2.8 million), representing a slightly improved gross margin of 2.43% (2008: 2.38%).

Earnings at EBITDA level increased to £757,000 (2008: £215,000) and operating profit of £475,000 (2008: £34,000) was achieved.

Operating expenses rose slightly for the year to £2.6 million (2008: £2.5 million) as we continued with our commitment to invest in sportsbook marketing. We have also improved our technical systems by investing in hardware upgrades for both EWS and betinternet which have added resilience and enhanced security within our

customer-facing systems.

Excluding marketing, our general expenses are in line with 2008. The board anticipates a decrease in expenditure as our requirement for office space has significantly reduced, following the relocation off-site of our website hosting. Our existing leases are due to expire during the forthcoming year and we anticipate negotiating lower cost accommodation.

Further analysis of the results is presented in the Operational Review.

Convertible Loan Note

As announced in the Interim Report, the Company has agreed to extend the repayment date of a £300,000 convertible loan note with Burnbrae Ltd, from 23 February 2009 to 23 February 2011.

Proposed resolutions at the forthcoming AGM

At the forthcoming AGM, shareholders are being asked to consider and support a Special Resolution, the details of which are below. I would request that shareholders pay particular attention to resolution 6, which outlines the board's intention, subject to shareholder approval, to apply for court approval in due course to cancel the share premium account, thereby partially offsetting historical accumulated losses and enabling the board to utilise any future distributable reserves for the declaration and subsequent payment of dividends, as and when appropriate.

Summary

It has been another positive year for Webis Holdings and to be able to report the Company's most successful set of results ever in the face of a global downturn clearly demonstrates that the board's strategies continue to be set correctly for the business. We expect that the forthcoming year will provide us with continued expansion opportunities within both our sportsbook and EWS operations and we approach it with buoyed confidence.

My thanks go to the employees of Webis Holdings for their continued commitment and contribution throughout this successful year.

Denham Eke
Chairman

Operational Review

This year has been another period of strong growth for Webis Holdings plc, both in financial and non-financial terms. The Company has reached a position where it is able to take advantage of the opportunities available to an expanding global gaming company and, as outlined in further detail below, I believe that we have made good progress in capitalising on these opportunities this year, both within our pari-mutuel operation, European Wagering Services ("EWS") and our sportsbook, *betinternet.com* ("betinternet").

These results, which include the Company's highest operating profit in its history, have also been achieved in a year when the economic downturn has had a significant adverse impact on many industries. Although the gaming sector will never be completely immune to these external influences, it remains resilient, as it is able to offer alternative forms of entertainment for customers who choose to 'stay at home' more often than previously. With technology improving at such a fast rate, home entertainment, including online gaming, has become a compelling alternative to many traditional leisure activities. The advance of the 'Smartphone' now also offers the Company a new route to market that provides a significantly enhanced user experience for our customers and the Company plans to take advantage of this key growth opportunity in the new financial year. Now that the Company is cash-generative, it is also in a considerably stronger position to take advantage of this and other future developments in the sector.

Our pari-mutuel business, EWS, has remained our prime source of earnings during the financial year. It has continued to provide a very stable base and the developments to our *link2bet.com* website have been key to generating a better balance of EWS' revenues across our three routes to market - call centre, website and direct hub access. The implementation of easy-to-use payment solutions for our website customers has been a crucial step forward and towards the end of the reporting period, following on from the website enhancements made, we initiated some low-level targeted marketing for *link2bet*.

We have continued to invest in EWS' technology, installing an additional hardware component which enables us to maximise our channels of distribution for both end-user customers and B2B solutions. We expect to have our hosting solution resolved in due course and we are currently considering alternatives that had not previously been

available, the overriding aim being to choose a solution that maximises the long-term benefits to the Company and our customers.

The betinternet sportsbook has shown encouraging growth in turnover that bodes well for the future. In particular, we generated increased revenues in our sports betting channel, following the launch in November 2008 of our updated affiliates' scheme.

We are also pleased with the response to our new 'In-Running' football module that offers additional betting markets whilst matches are in progress. Since the launch of this product in February 2009, we now regularly offer 'In-Running' betting on approximately three times as many matches than previously and this is generating a sustained increase in betinternet's overall turnover and margin.

Another success has been the increased turnover that we are generating on horse racing. We have been promoting a number of attractive offers to customers to achieve this increase, such as 'Best Odds Guaranteed'. Whilst these promotions have an effect on margin, the board views this investment as key to its long-term strategy for the business. Our sponsorship programme at UK racetracks has been ongoing throughout the year and continues to bring us strong brand association and recognition in our target markets. We have budgeted for a similar strategy in the forthcoming year.

Although betinternet's overall margin was impacted by a series of poor football results towards the end of the European season and a reduction in our casino contributions at around the same time, we believe that we are making good progress in taking this part of our business forward.

Results

The Group achieved a profit for the period of £452,000 compared to a loss of £347,000 last year.

The Group generated an operating profit of £475,000 (2008:£34,000). Operating expenses remained in line with expectations. Within the financial year we were able to allocate funds to enable us to make a number of hardware upgrades for both EWS and betinternet.

Current trading and outlook

EWS' trading has performed in line with the board's expectations throughout the first quarter of the new financial year, despite evidence of an overall downturn in US pari-mutuel wagering. Following the re-launch of the *link2bet* website, EWS has tested various online marketing activities, mainly through targeted online advertising banners in thoroughbred and greyhound media. The overall effect of this activity, combined with the website improvements, has been encouraging, with a 31% increase in active customers using the *link2bet* service and with online turnover increasing by 26% in the first quarter compared with the same period last year. The new players recruited have generated a higher margin for EWS and are helping to move EWS' business mix significantly away from its historical reliance on 'high-roller' customers.

The board is optimistic about the outlook for EWS for the rest of the year. Following the positive results of the test marketing, we will be rolling out further targeted marketing activities, specifically aimed at recruiting recreational horse racing players. Our aim is to increase customer numbers on the site and improve the overall margin derived from on-line wagering. In addition, following the investment in the hardware and wagering platform, we believe that EWS is now better positioned to benefit from business development opportunities, mainly in the form of recruiting new B2B clients requiring direct access to a wagering hub.

We are in the process of introducing more automated systems for betinternet that will further reduce reliance on time-consuming, labour intensive processes. This will also allow us to expand our offering to customers, especially in the 'In Running' area on sports other than football, which in turn will enhance our competitive position.

In August 2009, we launched a 'Smartphone' application for betinternet that has been optimised for the *iPhone* and will also work on most mobile browsers. The board is of the view that most consumers will have browser-based mobile phones within the next two years and it makes most sense to develop an application that is future-proof, rather than trying to support a myriad of different handsets using differing technologies. The launch of this additional route to market has been well received by our customers, especially in Asia.

Whilst there has been no major football tournament this summer, the impact on betinternet's turnover was less than in previous years as we are now generating higher turnover from our horse racing offering than previously.

We have recently commissioned external reports on the usability and search engine performance of the *betinternet.com* website and plan to allocate development resource with a view to identifying further improvements in these specific areas during the forthcoming year.

In summary, the board believes that betinternet and EWS have the opportunity to further increase their market share in the forthcoming year. We continue to seek innovative ways to achieve this and the Group is now in a much stronger position to implement the board's long-term strategy for the business.

Garry Knowles

Managing Director

**Webis Holdings Plc
Consolidated Income Statement
for the Period ended 31 May 2009**

	Note	2009 £000	2008 £000
Turnover	2	140,149	117,185
Cost of sales		(136,718)	(114,402)
Betting duty paid		(33)	(25)
		-----	-----
Gross Profit		3,398	2,758
Administration expenses		(2,641)	(2,543)
		-----	-----
Earnings before interest, tax, depreciation and amortisation		757	215
Depreciation and amortisation		(247)	(161)
Share based costs		(35)	(20)
		-----	-----
Total operating profit		475	34
Investments written off	4	-	(321)
Net finance costs	5	(23)	(60)
Tax	6	-	-
		-----	-----
Profit / (loss) for the Period		452	(347)
		-----	-----
Basic profit / (loss) per share (pence)		0.22	(0.17)
Diluted profit / (loss) per share (pence)		0.21	(0.17)
		-----	-----

**Webis Holdings Plc
Consolidated Balance Sheet
As at 31 May 2009**

	Note	2008 £000	2007 £000
Non-current assets			
Intangible assets - goodwill	8	43	43
Intangible assets - other	9	295	231
Property and equipment	10	110	119
Investments		-	-
		-----	-----
		448	393
Current assets			
Trade and other receivables		713	647
Cash and cash equivalents		1,502	1,018
		-----	-----
Total assets		2,663	2,058

Current liabilities		
Bank overdraft	(205)	(59)
Trade and other payables	(1,464)	(1,492)
Convertible loan notes	-	(300)
	-----	-----
	(1,669)	(1,851)
Non-current liabilities		
Convertible loan notes	(300)	-
	-----	-----
Total liabilities	(1,969)	(1,851)
	-----	-----
Net assets	694	207
	-----	-----
Shareholders' equity		
Called up share capital	2,068	2,068
Share premium account	9,927	9,927
Share option reserve	84	49
Profit and loss account	(11,385)	(11,837)
	-----	-----
Total shareholders' equity	694	207
	-----	-----

Webis Holdings Plc
Statement of Changes in Shareholders' Equity
for the Period ended 31 May 2009

	Called up share capital £000	Share premium £000	Share option reserve £000	Retained earnings £000	Total shareholders' equity £000
Balance as at 27 May 2007	1,970	9,600	29	(11,490)	109
Issue of ordinary shares	98	327	-	-	425
Share based payments - share options	-	-	20	-	20
Loss for the Period	-	-	-	(347)	(347)
	-----	-----	-----	-----	-----
Balance as at 25 May 2008	2,068	9,927	49	(11,837)	207
Share based payments - share options	-	-	35	-	35
Profit for the Period	-	-	-	452	452
	-----	-----	-----	-----	-----
Balance as at 31 May 2009	2,068	9,927	84	(11,385)	694
	-----	-----	-----	-----	-----

Webis Holdings Plc
Consolidated Statement of Cash Flows
for the Period ended 31 May 2009

	2009	2008
	£000	£000
Net cash inflow from operating activities	663	598
Cash flows from investing activities		
Interest received	7	5

Acquisition of investment	-	(8)
Purchase of intangible assets	(236)	(163)
Purchase of property, plant & equipment	(66)	(64)
	-----	-----
Net cash outflow from investing activities	(295)	(230)
Cash flows from financing activities		
Issue of equity shares	-	425
Interest paid	(30)	(65)
	-----	-----
Net cash (outflow) / inflow from financing activities	(30)	360
Net increase in cash and cash equivalents	338	728
Cash and cash equivalents at beginning of Period	959	231
	-----	-----
Net cash and cash equivalents at end of Period	1,297	959
	-----	-----
Cash and cash equivalents comprise		
Cash and deposits	1,502	1,018
Bank overdraft	(205)	(59)
	-----	-----
	1,297	959
	-----	-----
Cash generated from operations		
Profit from operations	475	34
Adjusted for:		
Depreciation and amortisation	247	161
Share based payment charge	35	20
(Increase) / decrease in receivables	(66)	165
Decrease / (increase) in payables	(28)	218
	-----	-----
Net cash inflow from operating activities	663	598
	-----	-----

Webis Holdings Plc
Notes to the Consolidated Financial Statements
For the Period ended 31 May 2009

1 Reporting entity

Webis Holdings plc (formerly betinternet.com plc) is a company domiciled in the Isle of Man. The address of the Company's registered office is Viking House, Nelson Street, Douglas, Isle of Man, IM1 2AH.

The Group's consolidated financial statements as at and for the Period ended 31 May 2009 consolidate those of the Company and its subsidiaries (together referred to as "the Group").

The preliminary announcement does not constitute the Group's statutory financial statements. It is an extract from the financial statements for the Period ended 31 May 2009 which have not yet been filed.

1.1 Basis of preparation

(a) Statement of compliance

The financial information included in this announcement has been extracted from the Group's consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") and its interpretations adopted by the International Accounting Standards Board ("IASB").

(b) Basis of measurement and functional currency

The Group consolidated financial statements are presented in Pounds Sterling, rounded to the nearest thousand. They are prepared under the historical cost convention except where assets and liabilities are required to be stated at their fair value.

(c) **Use of estimates and judgement**

The preparation of Group financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Although these estimates are based on management's best knowledge and experience of current events and expected economic conditions, actual results may differ from these estimates.

The directors believe the assumptions used in the model to calculate the fair value of the share based payments are the most appropriate for the Group.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

Certain comparative amounts have been reclassified to conform with the current year's presentation.

2 Segmental Analysis
Period ended 31 May 2009

		2009	2008
		£000	£000
Turnover			
Sportsbook	Far East	80,682	66,714
	UK & Ireland	9,228	9,253
	Europe	11,404	8,319
	Rest of the World	6,557	2,476
Pari-mutuel	United States	32,278	30,423
		-----	-----
		140,149	117,185
		-----	-----
Profit / (loss) before tax			
Sportsbook		(41)	(416)
Pari-mutuel		531	393
Group		(38)	(324)
		-----	-----
		452	(347)
		-----	-----
Net assets			
Sportsbook		21	62
Pari-mutuel		1,115	584
Group		(442)	(439)
		-----	-----
		694	207
		-----	-----

3 Share based costs

	2009	2008
	£000	£000
Share options	35	20
	-----	-----
	35	20
	-----	-----

4 Investment written off

In November 2007 the Group wrote off its investment in Global Coresports Limited, an Isle of Man based gaming software developer. In the absence of further funding the company was unable to continue trading.

5 Net finance costs

	2009	2008
	£000	£000
Bank interest receivable	7	5
	-----	-----
	7	5
	-----	-----
Bank interest payable	(7)	(24)
Loan interest payable	(23)	(41)
	-----	-----
	(30)	(65)
	-----	-----
Net finance costs	(23)	(60)
	-----	-----

6 Tax on profit on ordinary activities

No provision for taxation is required for either the current or previous periods, due to the zero per cent corporate tax regime in the Isle of Man. Unprovided deferred tax was £nil (2008: £nil).

7 Earnings per ordinary share

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the Period.

The calculation of the diluted earnings per share is based on the basic earnings per share, adjusted to allow for the issue of shares, on the assumed conversion of all dilutive options.

An adjustment for the dilutive effect of share options and convertible debt in the previous Period has not been reflected in the calculation of the diluted loss per share, as the effect would have been anti-dilutive.

	2009	2008
	£000	£000
Profit / (loss) for the Period	452	(347)
	-----	-----
	No.	No.
Weighted average number of ordinary shares in issue	206,826,667	200,674,485
Diluted number of ordinary shares	226,498,798	200,674,485
Basic profit / (loss) per share	0.22	(0.17)
Diluted profit / (loss) per share	0.21	(0.17)

8 Intangible assets - Goodwill

	Goodwill
	£000
Cost	
Balance at 25 May 2008	43
Additions during the period	-

Balance at 31 May 2009	43

Amortisation and impairment	
At 25 May 2008	-
Amortisation for the period	-

At 31 May 2009	-

Net Book Value	

At 25 May 2008 and 31 May 2009	43
--------------------------------	----

9 Intangible assets - Other

	Software & Development Costs £000
Cost	
Balance at 25 May 2008	2,070
Additions during the Period	236

Balance at 31 May 2009	2,306

Amortisation and impairment	
At 25 May 2008	1,839
Amortisation for the Period	172

At 31 May 2009	2,011

Net Book Value	
At 31 May 2009	295

At 25 May 2008	231

10 Property and equipment

	Computer equipment £000	Fixtures & fittings £000	Total £000
Cost			
At 25 May 2008	1,171	260	1,431
Additions	45	21	66
	-----	-----	-----
At 31 May 2009	1,216	281	1,497
	-----	-----	-----
Depreciation			
At 25 May 2008	1,070	242	1,312
Charge for the Period	62	13	75
	-----	-----	-----
At 31 May 2009	1,132	255	1,387
	-----	-----	-----
Net Book Value			
At 31 May 2009	84	26	110
	-----	-----	-----
At 25 May 2008	101	18	119
	-----	-----	-----

11 Approval of financial statements

The financial statements were approved by the Board on 23 September 2009. The Annual Report is expected to be posted to shareholders on 25 September 2009 and will be available from that date at the Group's Registered Office: Viking House, Nelson Street, Douglas, Isle of Man IM1 2AH.

The Group's nominated advisor and broker is Evolution Securities, Kings House, 1 Kings Street, Leeds LS1 2HH.

The company news service from the London Stock Exchange

END