FOR IMMEDIATE RELEASE
30 November 2004

BETINTERNET.COM PLC
("the company" or "betinternet")
PRELIMINARY RESULTS FOR THE YEAR ENDED 30 MAY 2004

betinternet.com plc, the global on-line gaming group, today announces preliminary results for the year ended 30 May 2004.

Highlights of the results are:

- Euro Off-Track, now wholly owned, increased turnover from £1.02m to £22.5m.
- Substantial cost saving programme implemented.
- Financing being put in place to allow positive growth.
- Customer accounts at period end 72,494 (2003: 57,037), an increase of 27.1%.
- Turnover (including share of joint venture) increased 17% to £68.0m (2003: £58.1m).
- Euro Off-Track profit of £0.71m (2003: loss of £0.48m). Group share of profit £0.35m (2003: share of loss £0.24).
- Group loss £1.89m after amortisation of £0.22m (2003: £0.13m loss after nil amortisation).
- Basic and diluted loss per share 1.62p (2003: 0.12p).

Commenting on the results, Denham Eke, chairman of betinternet, said: "The period ended 30 May 2004 has been one of significant change at betinternet. The company now has a clear strategy for profitable growth. Following the year-end, we have acquired the 50% of Euro Off Track not previously owned and are organising equity funding from Burnbrae Limited which will support the anticipated rapid growth of this business".

Update on Fundraising
The strategic review and fundraising announced on 19 October 2004 is nearing completion and the Board anticipates that this will be finalised and details set out in a circular to shareholders before the end of December 2004. Consequently, the publication of the Company's Report & Accounts has been delayed pending completion of this fundraising and the annual report will be posted to shareholders before 31 December 2004.

ENDS

For further information:
betinternet.com plc **Tel: 01624 629699**
Paul Doona, Managing Director

Waughton **Tel: 020 7796 9999**
Robin Hepburn/Sorrel Davies

Notes to editors:
The following are attached:

- Chairman's statement
- Consolidated Profit & Loss Accounts
- Consolidated Balance Sheets
- Consolidated Cash Flow Statements
- Notes to the Accounts

N.B. Pari-mutuel (or 'tote' wagering) refers to wagering into a 'pool' where dividends are paid to winners and the operator retains a percentage of the 'pool'.

PRELIMINARY RESULTS

CHAIRMAN'S STATEMENT

Introduction

The period ended 30 May 2004 has been one of significant change at betinternet. The company now has a clear strategy for profitable growth. Following the year-end, we have acquired the 50% of Euro Off Track not previously owned and are organising equity funding from Burnbrae Limited which will support the anticipated rapid growth of this business.

Euro Off-Track, the group's pari-mutuel business, improved its performance greatly during the year. As a result of this, we have decided to focus more financial and management resources on this business. The board believes that this operation, which provides a risk-free return to us as the promoter, has enormous potential and will provide a more stable form of earnings. I am pleased to report that turnover has continued to grow rapidly in the current financial year.

As previously reported, we took decisive action to address the adverse factors which affected the sportsbook business. In particular, we reduced risk and eliminated unprofitable markets. Costs have also been reduced to a level in balance with underlying business. The impact of these measures will be more fully seen in the current financial year.

In line with the above strategy, the telephone wagering business was scaled further back during the year. The Internet now accounts for 92% of sportsbook turnover.

Overview of Results

The performance of the pari-mutuel business, Euro Off-Track, was outstanding. Turnover increased from £1 million to £22.5 million during the year and the operation recorded its first net profit, £0.71m, of which the group's share was £0.35m (2003: share of loss £0.24m).

As reported above this operation is now wholly owned by the group and will be fully consolidated with effect from 30 June, 2004.

Following the remedial action referred to above, the margin from the sportsbook business recovered to 5.36% for the period as a whole. Although this was less than that achieved in the previous 52 weeks, 7.29%, it represented a margin of 6.8% in the second half which was in line with that achieved in the second half of the previous period.

Nevertheless, the fall in turnover combined with the reduction in margin resulted in a fall in gross profit to £2.44m (2003: £4.16m).

Action to reduce overheads by approximately £1m on an annualised basis was also undertaken, however, much of the impact of this will be felt in the current financial year. Accordingly, the group recorded a loss of £1.68m (2003: loss of £0.13m) before amortisation charges of £0.21m (2003: nil), thus increasing the overall loss to £1.89m (2003: loss of £0.13m).

Strategy

The board's announcement of 19 October, 2004 set out the results of the strategic review undertaken during the summer. The encouraging performance of Euro Off-Track has led the board to conclude that greater emphasis should be placed on its pari–mutuel business, and Euro Off-Track has continued to perform strongly since the acquisition of the outstanding 50% interest in June 2004.

The board believes that there are significant opportunities in exploiting its Isle of Man based hub operations on an international basis. An example of this is our link with Phumelela Gold Enterprises of South Africa and the formation of a new joint venture company, Isle of Man Tote

Limited. This company is intended to provide an international hub service for South African thoroughbred racing and, in due course, it is hoped will operate a totalisator and host pool betting on a variety of tote activities.

We will continue to operate the sportsbook in a manner that minimises our risk as much as possible and are seeking ways to make our offering more attractive in a manner consistent with this aim. To this end, we recently announced the imminent launch of an online casino in partnership with CasinoWebcam, the market leader in video streaming gaming technology. We are also looking at new initiatives to capitalise on our Far Eastern customer base.

Overall the strategy is now clearly focused on making betinernet a leading technology solutions provider for the online gaming sector, maximising the company's market-leading technology to develop risk-free income streams to balance the unpredictable nature of fixed odds sports wagering.

Fund Raising
To assist the strategic review referred to earlier, Mill Properties Limited and Burnbrae Limited, vehicles for the Caldwell family and Mr J. Mellon, provided additional funding by way of financial guarantees. These are intended to be replaced by arrangements which subject to shareholder approval will lead to the issue of 1m new ordinary shares in the company to Burnbrae Limited and which will raise approximately £900,000 after expenses. Details of these arrangements are explained more fully in a circular which is expected to be posted to shareholders before the end of December 2004.

As a result, the company expects to have the necessary funding in place to develop the Euro Off-Track business and to continue the sports book business on its new strategic course. The directors are confident of the future prospects that this provides for the business.

Board Changes
Since the end of the financial period there have been changes to the board. Mr Jim Mellon has joined as a non-executive director. Mr Mellon, who is a beneficiary of Burnbrae Limited, brings a wealth of commercial experience to the board and is a most welcome addition. Mr William Mummery, Mr Mark Child and Mr Harley Corkill have all resigned from the board, and I thank them for their support. Mr Mummery continues to provide the company with technical consultancy in relation to the pari-mutuel business.

Summary
The directors strongly believe that the new strategic direction that they have set for the business provides major long-term opportunities for the business. I wish to thank all shareholders for their continued support and also the staff of betinternet for their endeavours on behalf of the business during the year.

Denham Eke
Chairman

CONSOLIDATED PROFIT AND LOSS ACCOUNTS

For the period to 30 May 2004

	Notes	Before Goodwill £'000	Goodwill £'000	2004 £'000	2003 £'000
Turnover including share of joint venture					
Betting stakes received					
Internet		**41,759**	**-**	**41,759**	50,375
Telephone		**3,735**	**-**	**3,735**	6,688
Joint Venture		**22,513**	**-**	**22,513**	1,016
		68,007	**-**	**68,007**	58,079
Less share of joint venture turnover		**(22,513)**	**-**	**(22,513)**	(1,016)
Total group turnover	1	**45,494**	**-**	**45,494**	57,063
Cost of sales					
Winnings paid and bets laid off		**(43,004)**	**-**	**(43,004)**	(52,826)
Betting duty paid		**(53)**	**-**	**(53)**	(76)
Gross Profit	1	**2,437**	**-**	**2,437**	4,161
Administration expenses		**(4,467)**	**(219)**	**(4,686)**	(4,060)
Group operating loss/(profit)		**(2,030)**	**(219)**	**(2,249)**	101
Share of operating profit/(loss) in joint venture		**354**	**-**	**354**	(239)
Total operating loss including share of joint venture		**(1,676)**	**(219)**	**(1,895)**	(138)
Interest		**1**	**-**	**1**	8
Loss on ordinary activities before and after taxation and retained loss for the period		**(1,675)**	**(219)**	**(1,894)**	(130)
Basic and diluted loss per share	2			**(1.62)**	(0.12)

CONSOLIDATED BALANCE SHEET

As at 30 May 2004

		30 May 2004		1 Jun 2003
Fixed Assets		£,000		£,000
Intangible Assets		**219**		437
Tangible Assets		**620**		841
		839		1,278
Current Assets				
Debtors		**851**		1,611
Cash at bank and in hand		**444**		1,852
		1,295		3,463
Creditors				
amounts falling due within one year		**(1,517)**		(1,876)
Net Current Assets		**(222)**		1,587
Provision for liabilities and charges				
Investment in joint venture				
Share of gross assets	446		194	
Share of gross liabilities	(636)		(738)	
Share of net liabilities		**(190)**		(544)
Return on Investments and servicing of finance				
Depreciation and amortisation				
Net Assets		**427**		2,321
Capital and Reserves				
Called up share capital		**1,167**		1,167
Share Premium		**6,928**		6,928
Profit and loss account		**(7,668)**		(5,774)
Equity Shareholders' Funds		**427**		2,321

CONSOLIDATED CASH FLOW STATEMENTS

For the period to 30 May 2004

	2004	2003
	£	£
Net cash outflow from operating activities	**(984)**	(995)
Returns on investments and servicing of finance	**1**	8
Capital expenditure and financial investment	**(345)**	(377)
Acquisition (including cash assumed)	**-**	77
Cash outflow before use of liquid resources and financing	**(1,328)**	(1,287)
Financing	**-**	1,218
Decrease in cash in the period	**(1,328)**	(69)

Reconciliation of net cash flow to movement in net funds

	2004	2003
	£	£
Opening net funds	**1,765**	1,484
Decrease in cash in year	**(1,328)**	(69)
Cash outflow from movement in borrowings	**-**	350
Closing net funds	**437**	1,765

NOTES TO THE ACCOUNTS

1. Segmental analysis

Period ended 30 May 2004	**Telephone £**	**Internet £**	**Total £**
Betting Stakes Received	**3,735**	**41,759**	**45,494**
Winnings paid and bets laid off	**(3,571)**	**(39,433)**	**(43,004)**
Betting duty paid	**(4)**	**(49)**	**(53)**
Gross Profit	**160**	**2,277**	**2,437**
Margin	**4.28%**	**5.45%**	**5.36%**

Period ended 1 June 2003	**Telephone £**	**Internet £**	**Total £**
Betting Stakes Received	6,688	50,375	57,063
Winnings paid and bets laid off	(6,073)	(46,753)	(52,826)
Betting duty paid	(3)	(74)	(77)
Gross Profit	612	3,548	4,160
Margin	9.15%	7.04%	7.29%

2. Loss per share

The basic loss per share is calculated by dividing the losses attributable to ordinary shareholders by the weighted average number of ordinary shares during the year.
Calculation of loss per share is based on losses of £1,893,941 (2003: £130,555) and the weighted average number of ordinary shares being the equivalent of 116,687,254 (2003:112,293,584) ordinary 1p shares.
The diluted loss per share is the same as the basic loss per share as the adjustment to assume conversion of dilutive ordinary shares would decrease the loss per share.

NOTES TO THE ACCOUNTS
Continued

3. Reconciliation of operating (loss)/profit to net cash outflow from operating activities

	2004	2003
	£'000	£,000
Operating (loss)/profit	**(2,249)**	101
Depreciation and amortisation charges	**784**	544
Reduction/(increase) in debtors	**760**	(788)
Reduction in creditors	**(279)**	(852)
Net cash outflow from operating activities	**(984)**	(995)

4. Analysis of cash flows for headings netted in the cash flow statement

	2004	2003
	£'000	£,000
(a) Financing		
Issue of new shares including share premium	-	1,568
Repayment of borrowings	-	(350)
	-	1,218

(b) Capital expenditure

	2004	2003
	£'000	£'000
Payments to acquire tangible fixed assets	**(345)**	(382)
Receipts from sale of tangible fixed assets	**-**	5
Net capital expenditure	**(345)**	(377)

5. Analysis of net funds

	at 1 June 2003	Cash Flow	at 30 May 2004
	£	£	£
Cash in hand and at bank	1,852	(1,408)	**444**
Bank overdraft	(87)	80	**(7)**
	1,765	(1,328)	**437**

NOTES TO THE ACCOUNTS
Continued

6. Basis of preparation of the financial statements

(i)The results for the period ended 30 May 2004 are prepared in accordance with applicable UK accounting standards, using the same accounting policies as set out in the group accounts for the year end 1 June 2003. These preliminary statements are unaudited, but have been reviewed, in accordance with Auditing Practices Board guidance by the Auditors, KPMG Audit LLC, whose report will be included in the report and accounts to be sent to shareholders.

(ii) The abridged accounts for the year to 30 May 2003 are an extract from the full group accounts for that period on which an unqualified report was made by the group's auditors and which have been delivered to the Registrar of Companies.

(iii) In preparing these financial statements the Directors considered the adequacy of the cash resources and working capital available to the Group for the next 12 months.

The Directors noted that on 18 October 2004, the Company received the proceeds of a convertible loan from Burnbrae Limited amounting to £200,000. The loan is capable of converting to 5 million new Ordinary Shares. The Company has also entered into arrangements for a placing of new Ordinary Shares with Burnbrae Limited in order to raise further funding of £800,000. Both the conversion of the outstanding loan note and the placing are subject to, and conditional upon, the approval of the independent shareholders to the waiver of the requirements of Rule 9 of the City Code. The Directors have concluded that, pending the outcome of an extraordinary general meeting of independent shareholders to consider the waiver of Rule 9, it is appropriate to prepare the Preliminary Announcement for the year ended 30 May 2004 on a going concern basis.

7. Other information

i) All profits derive from continuing activities.

iii The preliminary statement was approved by the board on 30 November, 2004

iii) The report and accounts upon which KPMG Audit LLC will deliver their report will be posted to shareholders during December 2004. Following posting, copies will be available for inspection at the Company's Registered Office; Viking House, Nelson Street, Douglas, Isle of Man IM1 2AH.

iv) The Company's nominated advisor and broker is Williams de Broe, PO Box 515, 6 Broadgate, London EC2M 2RP.