

ASX RELEASE – Thursday, 17 February 2011

## Profit Upgrade

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- NPAT PREVIOUSLY ANNOUNCED TO BE IN THE RANGE \$2.5 TO \$2.7 MILLION.
- NPAT REVISED TO BE IN THE RANGE \$3.1 TO \$3.3 MILLION FOR HY TO DECEMBER 2010.
- BETTER THAN EXPECTED TRADING AND LOWER THAN EXPECTED TAX.

Jumbo Interactive Limited (ASX: “JIN”) is pleased to announce that better than expected trading and lower than expected tax has caused the previously announced range to be increased to between \$3.1 and \$3.3 million net profit after tax for the half-year period to December 2010.

Recent system upgrades to the Company’s flagship website, OzLotteries.com resulted in excellent trading in the lead up to the New Years Eve Superdraw. This combined with new Internet marketing channels resulted in a boost to subscriber numbers at the end of the year.

“The successful New Years Eve Superdraw campaign led to a boost in subscriber numbers that not only increased sales for that draw, but will also have a flow on effect for sales in the future”, said Mr Mike Veverka, CEO of Jumbo Interactive Limited.

As announced last month, the Company’s loss-making software distribution subsidiary was placed into voluntary administration as part of efforts to refocus resources onto the stronger Internet lottery business. This process is continuing and the market will be informed at the appropriate time of any impact in the second

half. This refocusing effort also included the sale of Star System Solutions in November 2010 for \$1.7 million, which has now been completed.

### **About Jumbo Interactive**

In 2000, the Company sold its first lottery ticket on the Internet. In 2005 it made the leap into national lotteries with the acquisition of TMS Global Services Pty Ltd and subsequently developed the successful OzLotteries.com website that is the backbone of the business today.

Thousands of Australians each day play their lucky numbers in their favourite lottery games using this safe, secure and innovative website based on technology that has been in constant development for over 10 years.

Just as travel, accommodation and car sales have made successful transitions to the Internet, lotteries are also going through an online transition and customers are finding the benefits offered by OzLotteries.com to be a very convenient way to purchase their regular lottery tickets.

Lottery sales have grown from strength to strength rising from \$25 million in 2008 to \$42 million in 2009 and \$66 million in 2010. This is driven by continuous website improvements in addition to various marketing initiatives that have opened up new Internet markets for lotteries.

OzLotteries.com plays an important role in the Australian lottery industry with over \$15 million in additional State Government revenue raised from sales in 2010.

As well as continuing its growth in Australia, the Company is actively pursuing opportunities overseas, in particular the AUD\$60 billion US market and the AUD\$110 billion UK and European markets.

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