

Press Release

NETELLER Announces Settlement of US Situation

Wednesday, 18 July 2007 - NETELLER Plc (LSE: NLR), the independent global online payments business, today announces that the Company has entered into a Deferred Prosecution Agreement (“DPA”) with the United States Attorney's Office for the Southern District of New York (“USAO”). The DPA represents the resolution of the USAO’s investigation into the Company.

Pursuant to the DPA, the Company has consented to the filing of a criminal information relating to transactions between Internet gambling merchants and persons located in the United States. The USAO has agreed to defer the prosecution of any federal charges and, as a consequence, the Company will not be convicted of any federal crime, as long the Company fulfils the set conditions of the DPA during the two year term of the agreement. At the conclusion of the two year term, the criminal information will be dismissed. The key terms of the DPA are set out in more detail later in this announcement. The United States District Court for the Southern District of New York has approved the deferral of the prosecution. As part of the DPA, the Company has also agreed to forfeit US\$ 136 million to the United States. This amount includes the approximately US\$ 60 million that the USAO has previously seized.

Additionally the Company announces:

- Following this resolution, the Company will seek to publish its audited annual accounts for 2006 and have its shares restored to trading on AIM as soon as practicable thereafter.
- The Company is using its best efforts to allow withdrawal requests as soon as possible and US customers will be able to sign in to their NETELLER account to request the withdrawal of their funds by no later than 30 July 2007. The exact date upon which US customers will be able to make requests will be communicated to US customers via email and through our website.

Ron Martin, President & CEO, said “This agreement resolves the USAO’s investigation relating to the Company’s former US business activities. We believe that this settlement is in the best interests of NETELLER and its shareholders.”

“Our customers, employees and shareholders have all patiently waited for this resolution. We anticipate within the next few weeks that we will have fully implemented the plan for the return of funds to our US customers and are hopeful that, by that time, we will have restored the Company’s shares to trading on AIM. We can now begin to refocus our efforts on building and strengthening the NETELLER business in the growing markets of

the European and Asia Pacific regions. I look forward to sharing further information about the Company's progress over the coming months."

Key terms of the Deferred Prosecution Agreement

The settlement takes the form of a two year DPA with the USAO. In the DPA, NETELLER has consented to the filing with the United States District Court for the Southern District of New York of a criminal information charging NETELLER with participating in a conspiracy in violation of certain US laws. If NETELLER fulfils its obligations under the DPA, the criminal information will be dismissed, following the two year term.

Specifically, the DPA contains the following main points:

- NETELLER, as detailed in the "Statement of Admitted Facts" attached to the DPA, admits that it had operated in the US an unlicensed money transmitting business and had participated in the performance of financial transactions for the purpose of promoting unlawful transactions between internet gambling merchants and persons located in the US.
- NETELLER agrees that it will pay an amount to the United States totalling US\$ 136 million which is disgorgement of certain profits received by NETELLER from the activities described in the Statement of Admitted Facts. This amount includes the approximately US\$ 60 million that the USAO has previously seized. NETELLER agrees that it will satisfy the remaining portion of its forfeiture obligation with a payment of US\$ 40 million to be paid on or before 15 October 2007, and the remaining balance (approximately US\$ 36 million) to be paid on or before 17 January 2008.
- NETELLER agrees to cooperate fully with US authorities in all matters relating to the ongoing investigations by the USAO.
- NETELLER agrees to fully implement procedures and controls to prevent illegal transactions between internet gambling merchants and persons located in the US and to continue to retain Navigant Consulting Inc., a forensic accounting firm, to monitor NETELLER's compliance with these procedures and controls.

Distribution Plan to be implemented

As announced on 4 June, the Company has agreed to a plan for the distribution of funds to its US customers. The agreed plan details the process and mechanisms by which US customers will be able to initiate the return of their funds after the plan is implemented. NETELLER is using its best efforts to start implementing the plan as soon as possible and, in any event, by no later than 30 July 2007. The Company will communicate to US

customers via email and through its website the exact date upon which such customers will be able to make requests.

Restoration of trading to AIM

As stated in the Company's announcement of 13 July, the Company continues to make progress regarding the ongoing suspension of the Company's shares from trading on AIM. The Company is in discussions with its advisers and AIM and understands that the admission of the Company's ordinary shares to trading on AIM has not to date been cancelled.

With today's announcement of a resolution of the USAO investigation, the Company is now focused on finalising and publishing its audited annual accounts for 2006. The Company will endeavour to post the 2006 accounts to its shareholders as soon as practicable following which the Company anticipates that trading in the Company's ordinary shares on AIM will be restored.

Further details will be announced as and when they become available.

About the NETELLER Group

Trusted by millions of consumers in over 160 countries to move and manage billions of dollars each year, the NETELLER Group operates the world's leading independent online payment business. The Group specializes in providing innovative and instant payment services where money transfer is difficult or risky due to identity, trust, currency exchange, or distance. Being independent has allowed the Group to support thousands of retailers and merchants in many geographies and across multiple industries.

The Group is quoted on the London Stock Exchange's AIM market, with a ticker symbol of NLR. NETELLER (UK) Limited is authorised by the Financial Services Authority (FSA) to operate as a regulated e-money issuer. For more information about the Group visit www.netellergroup.com.

Media and Investor Contacts

NETELLER Group media and investor relations are managed by Citigate Dewe Rogerson. Contact them through the [Media Relations Contact page](#).