

ASX RELEASE

21 March 2011

Investor Presentation

Two Way Limited files the attached investor presentation, which provides an overview of the Company and updates the market on recent initiatives. This includes a summary of the early results from the launch of fixed odds betting on racing events through the Company's TV wagering service.

For further information:

Ben Reichel

Chief Executive Officer and Managing Director

Phone: +612 9017 7000 or 0412 060 281

ABOUT TWO WAY LIMITED (ASX: TTV)

Two Way creates advanced interactive media and gambling applications. Our competitive strengths include our specialised expertise, patented technology, and library of interactive applications, which can be deployed on TV, mobile or internet.

Two Way has developed an award-winning interactive TV wagering service with Tabcorp Holdings Limited (ASX:TAH) and FOXTEL, which has now been extended to include Racing and Wagering Western Australia (RWWA) and UNiTAB Limited (ASX:TTS). Two Way has the potential to establish similar relationships with other wagering and broadcasting partners throughout Australia and overseas.

Our interactive wagering technology offers advanced betting features and related information, and utilises the latest synchronisation techniques to enhance the user experience. This technology can be applied to both racing and sports betting applications.

Our Way2Bet portal offers an extensive range of information resources to help punters bet better. These services are available via online and mobile platforms at www.way2bet.com.au and way2bet.mobi.

Two Way's products are currently being deployed by leading wagering and interactive TV operators in Australia and New Zealand. Our clients include Tabcorp, RWWA, UNiTAB, Sportingbet, Betfair, FOXTEL, Austar, Optus TV and Sky New Zealand.

To learn more about Two Way visit www.twowaytv.com.au



Two Way Overview

March 2011

Ben Reichel
Chief Executive Officer
& Managing Director



“advanced interactive media and gambling applications”

What We Offer

- ☆ **Long term (5 year) contracts with blue chip clients**
 - ☆ Tabcorp, Tatts (UNiTAB), RWWA, Sportingbet, Betfair
- ☆ **Unique positioning**
 - ☆ The only company with a live betting service linked to the betting engines of all the TABs
 - ☆ Exclusive relationships with Tabcorp, Sportingbet & Betfair
- ☆ **Unique product and IP**
 - ☆ Australia's first and only TV wagering service
- ☆ **Rapid growth**
- ☆ **International opportunities**

Key Products and Clients



- ☆ All TABs pay a % of turnover

- ☆ Most bookies pay a % of gross profit



TV Wagering

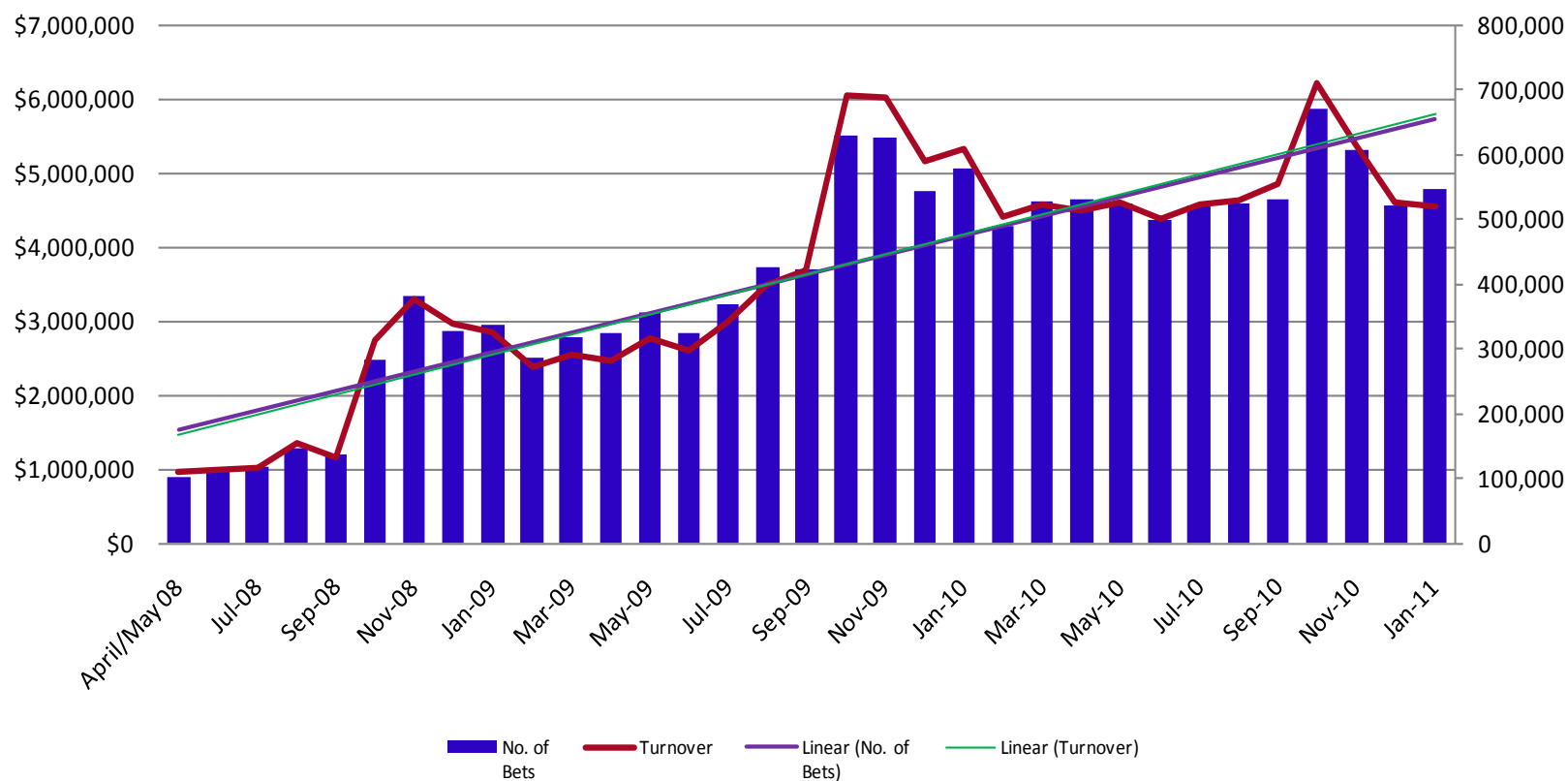


- ☆ We have an exclusive arrangement with Tabcorp for interactive wagering on racing events, via any form of TV (including IPTV and free to air TV)
- ☆ Our TAB ACTIVE interactive TV service on the Foxtel platform is Tabcorp's fastest-growing wagering channel (up 96% in FY10)
- ☆ Since launch on 28 April 2008 (Victoria) and 7 October 2008 (NSW):
 - ☆ More than 25,000 users have placed at least one bet
 - ☆ More than 14.1 million bets in total
 - ☆ Total turnover exceeds \$125 million
 - ☆ Currently around 4,000 users betting each week
- ☆ Betting currently available only in metropolitan Sydney and Melbourne
- ☆ All features other than betting available in Queensland and South Australia
- ☆ Full service (with betting) will launch in Western Australia in mid 2011

Performance



TAB ACTIVE
Total Turnover & No. Of Bets



Fixed Odds Race Betting



Today's Gallops Connected **tab active** **TAB**

12:40 Sky Racing Mdn Hcp 1000m

#	Runners (20)	WIN	TOTE	FIXED
1	Shranap	15	16.5	
2	Bold Pride	55	56	
3	Divorce Me	8.10	8.30	
4	Maoulida	47	44	
5	Avondale	19	16	
6	Lester Quercus	15	15	
7	Mana Glint	13	13	
8	Testa More	17	17	
9	Sagamana	59	63	
10	Queen Margot	22	24	

Horse: Shranap
Jockey: F Prat (60.0)
Trainer: J Artu
Form: 0156 **Win:** \$ 486
Status: Open **Plc:** \$ 342
Updated: 01:14:41 **Tri:** \$ 446

SRW SKY1 SKY Racing 2
Ch+ Switch Channels

10:44:05 **3 Next To Go**

Wanganui 3	0 min
Cambridge 4	9 min
Cambridge 5	26 min
Wingatui 4	35 min
Cambridge 6	44 min

1 HOME **HELP** **FULLSCREEN** **ACCOUNT** **LATEST RESULTS** **FOXTEL** **EXIT**

- ☆ Fixed odds betting is now generating all of Tabcorp's turnover growth – we have been missing out!
- ☆ Now live on TAB ACTIVE (10 March)
- ☆ Viewers can switch between tote and fixed odds
- ☆ Viewers can also compare the tote and fixed odds available for win bets

Early Results



- ☆ Fixed Odds betting option launched on 10 March 2011
- ☆ Early indications are promising, and mirror the strong growth in fixed odds betting across Tabcorp's other betting channels
- ☆ Early statistics (10-14 March):
 - ☆ \$83,000 in turnover from fixed odds betting
 - ☆ More than 3,000 transactions
 - ☆ Average bet size \$27.85 – more than 3 times the average parimutuel bet
 - ☆ Majority of bets placed were for thoroughbred races (currently only limited number of fixed odds races for greyhounds and harness)

Connected TVs

 Username: Nameupto20characters Balance: £99999.99 18+

YOUR BET
England v Spain 

Correct Score	
1 - 0	35/1
Stake	£99
Potential Profit	£99.999

Place Bet

Responsible Gambling

Full Rules

Would you like to confirm this bet?

 About  Menu  Move highlight  Choose  Return



FREE £20 BET*

ON SIGN UP!

BETFAIR ON SAMSUNG TV FREE £20 BET! QUOTE PROMO CODE SAM001 JOIN NOW!

Connected TVs cont.

- ☆ Betfair TV wagering application for Samsung internet connected TVs
- ☆ Developed by our sister company (Two Way Media) in the UK
- ☆ Currently being deployed in the UK & Europe
- ☆ Ideal service for recreational punters watching sport
- ☆ We are developing similar applications for other bookmakers
- ☆ Our first client is Sportingbet – Australia's largest bookmaker, with annual turnover exceeding A\$1.5 billion
- ☆ Our second client is Betfair – Australia's only betting exchange
- ☆ We are the exclusive provider to both Sportingbet and Betfair of TV wagering services (on sport), via any form of TV
- ☆ We are currently in discussions with both major TV manufacturers to deploy this service in Australia

Connected TVs cont.

- ☆ Samsung is spending US\$70m promoting their connected TV platform this year
- ☆ Already more than 2 million apps have been downloaded from the Samsung App Store
- ☆ LG has similar plans to promote connected TVs – this year's launch will be the biggest they have ever done in Australia
- ☆ Sony and Panasonic also selling connected TV devices
- ☆ Major Chinese manufacturers (eg. Hisense) planning to follow suit
- ☆ Feature set also being added to Blu-ray players – dramatically expands the market
- ☆ Samsung alone expects to have 3 million connected TV devices in the Australian market alone by end 2011

Online & Mobile



- ☆ Way2Bet – online and mobile sports and racing portal
- ☆ Wide range of information resources, inc. odds comparison engine for all sports and racing; free form guides; free tips; black book service
- ☆ Revenue from bookie commissions, advertising, and new account bounties
- ☆ New premium ratings service – now earning revenue directly from users
- ☆ Constantly increasing levels of punter and bookmaker activity
- ☆ Clients include all major bookmakers in Australia, as well as Tabcorp and Betfair
- ☆ iPhone & connected TV deployments planned



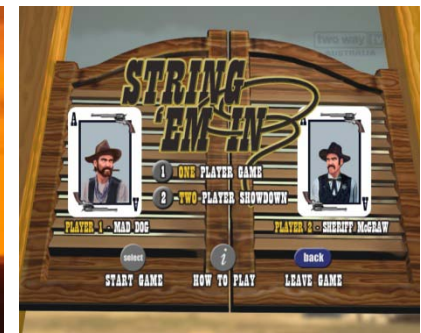
IPTV and Games Expertise

- ☆ Two Way built the first ever interactive TV games service for PCCW (the world's largest IPTV platform) in 2005
- ☆ We designed and implemented the game serving environment, including architecting the games servers, and provided the games
- ☆ We built the system to handle multi-player games
- ☆ We are currently running IPTV games on the MagiNet platform
 - ☆ Hotel in-room entertainment service (owned by NTT DOCOMO)
 - ☆ Currently available to 5,000 rooms across 30 properties



Games – Commercials

- ☆ We have a huge library of games for TV platforms (including IPTV)
- ☆ We operate a TV games services on the Sky New Zealand platform
 - ☆ Sold on a subscription basis for NZ\$6 per month – split with Sky
 - ☆ We refresh the content weekly, including new trivia questions
 - ☆ Joint marketing initiatives have been very successful
- ☆ Also operate an IPTV games service on the MagiNet platform
 - ☆ Sold for \$3.95 per hour, or \$6.95 per day



Other Interactive Apps

- ☆ Two Way has built a multitude of interactive TV applications over the past 10 years – covering all channels and program types (eg. FOX8, History Channel, TV1, Disney, Sky News, MAX Music, etc)



- ☆ Substantial expertise in TV navigation, response times, design, colours, etc
- ☆ Chat app on FOX8 (“ANTM”) and now on MTV

Latest (Half Year) Results

- ☆ Results are the strongest in the Company's history
- ☆ Substantial improvement in both the operating result and the net result, compared to the previous corresponding period
- ☆ **Key metrics:** revenues ▲ 6%, operating result ▲ 12%, net result ▲ 78%
- ☆ Solid growth in flagship TV wagering service revenues ▲ 16%
- ☆ And other key revenue lines: Way2Bet ▲ 76%, bespoke development ▲ 52%
- ☆ Ongoing licence fees eliminated, saving \$250k pa. Perpetual licence now in place
- ☆ Other operating costs reflect ongoing and effective cost control
- ☆ Effects of the above will see a marked improvement in operating cash flow

Capital Structure

- ★ 209.9m ordinary shares on issue
- ★ 611 shareholders, of which the top 20 hold 54% of the issued capital
- ★ 1.890m options issued to staff through Employee Options Plan (potential dilution <1%)
- ★ Company is debt free

Summary

- ☆ Two Way creates advanced interactive media and gambling applications
- ☆ We are the leading provider of interactive TV wagering services in the Asia / Pacific region
- ☆ We have unique and exclusive relationships with the major wagering operators in Australia
- ☆ We have more than 10 years of interactive TV and IPTV expertise
- ☆ Performance of TAB ACTIVE shows that users respond to a service that is well designed, easy to use, fast and secure
- ☆ National deployment will lead to significant increase in revenues
- ☆ Actively working on international opportunities to deploy our technology and expertise