

For immediate release



Press release

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NETELLER Continues To Deliver On Diversification Strategy

NETELLER Plc (LSE: NLR), the leading independent online money transfer business, today announced the latest milestone in its market diversification strategy by formally launching two new country specific versions of its service in Denmark and Sweden. The Company also confirms its position regarding the US SAFE Port Act.

US Safe Port Act Position

As stated in an announcement of 2 October 2006, the Company, in conjunction with its advisers, continues to monitor the progress of the Act and likely resultant regulations. The Company expects to have a clearer view of how financial services companies can comply and any possible resulting impact on its business as the regulations are drafted in the 270 days following the signing of the Act. In the meantime, the Company will continue to operate its business to minimise any potential adverse impact, maintaining existing customer and merchant support across all the markets it currently serves.

Sweden and Denmark Launch

The formal launches of the two new localised versions of the Company's service in Denmark and Sweden represent the fifth and sixth new European products launched by NETELLER during 2006. The Company, which has customers in over 160 countries, launched sites in Germany, France, Spain and Italy earlier this year and expects to announce more localised services in the next few months.

NETELLER has also announced a number of significant improvements to its e-wallet service. These are designed to offer merchants greater freedom and control over which markets they operate in, drive customer acquisition, and harmonise terms and conditions globally.

Greater Choice for Merchants

In an enhancement to the NetDirect merchant platform, the Company has released new capabilities which allow merchants the freedom to define which global markets they wish to operate in. These new features work by enabling merchants to maintain country black-lists that block any money transfers from customers in those countries.

Refer-a-Friend Program

To further drive customer acquisition NETELLER has made its refer-a-friend programme more appealing. Now NETELLER pays direct cash incentives for each new referral. By bringing more customers who have existing relationships with one another into the NETELLER community, the Company believes it will help drive increased use of its service.

Commitment to Consistent High Standards in Business

NETELLER has also achieved a significant milestone in its 12-month programme to harmonise its terms and conditions across Europe, North America, and parts of Asia. Recent changes for North America enable the Company to apply the same high standards that it uses in compliance with FSA authorisation and Joint Money Laundering Steering Group activities across all geographies.

As part of this commitment to apply standards consistently across the Company, NETELLER maintains all of its customers' deposited, in-transit, and un-cleared funds in Trust Accounts, which are segregated from the Company's own cash balances. Therefore all customers can be confident that their money is held safely in their NETELLER account with no default risk, and funds can be transferred with total flexibility, speed and simplicity.

Ron Martin, President and CEO of NETELLER commented: "These updates, including new Danish and Swedish services, merchant platform improvements, and harmonised terms demonstrate our unwavering commitment to our customers and merchants. These launches represent further milestones in our continued global expansion as part of our diversification strategy."

Enquiries:

NETELLER

Andrew Gilchrist, VP – Communications

+ 44 (0) 1293 555 726

Citigate Dewe Rogerson

Sarah Gestetner/Sebastian Hoyle/James Read

+ 44 (0) 207 638 9571

Notes to Editors

The NETELLER Group

With over 3 million customers in 160 countries, 3,500 merchants, and over \$7 billion in annual transactions, the NETELLER Group operates the largest independent online money transfer business in the world. 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 one of the largest companies 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.netellerplc.com.