

**Michael Koch, CEO of ACE Interactive, discusses his company's ongoing role in the lottery and casino sector and the why the Viridian cabinet will dominate the casino landscape for the foreseeable future.**

## anyquestions



**In March of last year, the EFTA (European Free Trade Area) court, and as a result the Norwegian government, authorised Norsk Tipping to resume the roll-out of your interactive Video Terminals, this after a legal challenge by existing operators. How does it feel now that you have been given the green light to go forward with the Norsk Tipping contract?**

There has been much work and effort invested in this project in 2002 and 2003. It has been an extensive project that required a progressive ramp-up of employees from both ACE Interactive and Norsk Tipping. In 2003 (when the initial challenge began and plans were put on hold) we had to dismiss many highly talented people due to a court decision being delayed. Based on the ruling in March 2007, we resumed work but the conditions surrounding the project had changed. In general the concept is pretty much the same, however, some adaptations were necessary. Three years is a long time in any industry, and changes do occur. In Norway, especially with regards to responsible gaming and harm minimisation measures, the mandate for the Lottery had slightly changed. As a result, there were several new requests that had to be satisfied both in terms of software and hardware. It took over six months to clearly define what changes were required based on their new mandate.

We had to also work hard to iron out and conclude the final contract order for the re-designed iVT. One of the key changes that was required was to develop and implement a total cashless solution. The rationale behind this change was due to the Norwegian Lottery having the highest penetration of card based usage within the world. Over 75 per cent of families in Norway have one form or another of a player card. The Norwegian State Lottery utilises this technology for payment through accounts. We are anticipating going live with the system in the summer of this year.

**In May 2006, ACE Interactive was bought out by Aristocrat. How does the relationship between ACE Interactive and Aristocrat work?**

In order to answer this we must step back a little and understand what drove the decision by Aristocrat. About four

years ago, Aristocrat realised something big was going to change in the casino industry and there was going to be a shift toward server-based gaming environments and solutions. Aristocrat had been evaluating global options for diversification in this environment for much time and met with Essnet Interactive as part of their investigation. At the time, Essnet Interactive were working with the Norwegian State Lottery in creating and developing high integrity Lottery Software. This technology was perfectly portable to the gaming sector, particularly in terms of security and number of transactions. Aristocrat's strategy was to integrate this type of technology into their portfolio. That took place in May 2006. The decision marked the beginning of a two-pronged strategy undertaken by Aristocrat - to use ACE's Video Lottery technology in the traditional casino, in which Aristocrat is one of the global leaders, and to establish a footprint to enter the video lottery environment. In terms of the first aspect of this strategy, Aristocrat could have easily developed this form of technology through their systems division of which they are the global leader, however strategically opted for Essnet Interactive's technical know-how and expertise in this differentiated field. Today, ACE Interactive are continuing with the Lottery sectors of the markets and are further building a strong R&D company for the casino sector that will provide Aristocrat with alternative options for gaming placements around the globe.

**The Viridian was highly visible at this year's London Shows. What was ACE's role in its creation and why is it so special?**

ACE worked with Aristocrat to make the Viridian cabinet futureproof. While at the moment it is a standalone unit, we have built into the cabinet and software the ability to house downloadable and server-based updates. Currently, games are installed by Smart Card rather than EPROM, which means quick game conversions, more convenient handling and storage and lower risk of corruption. I think it's also important to talk about the Gen7 platform, which, thanks to its processing power, gives Viridian richer game content, ten times more memory, eight times faster CPU, three times more serial ports, five new USB ports, five times faster bus speed and two extra video outputs. The joint package of our True Server Based Gaming platform with Viridian and the vast array of games - ranging from 9/20,35,50,100 line, Poker, to the globally patented Hyperlink jackpot products - enables ACE to target all market segments. A number of top performing loyalty games from Aristocrat are in GLI submission and we expect to get GLI approval by the end of Q1 2008. Integration at its best!

**What does the future hold for ACE Interactive and Aristocrat?**

The relationship between ACE Interactive, renowned for outstanding technical integrity, and Aristocrat, with some of the top game designers, means that as Server Based technology develops and rolls out we will be positioned as one of the leading gaming solution providers globally. The future couldn't be brighter for ACE Interactive or Aristocrat.