

# Global Pari-Mutuel Services Winning the Online Gambling Jackpot

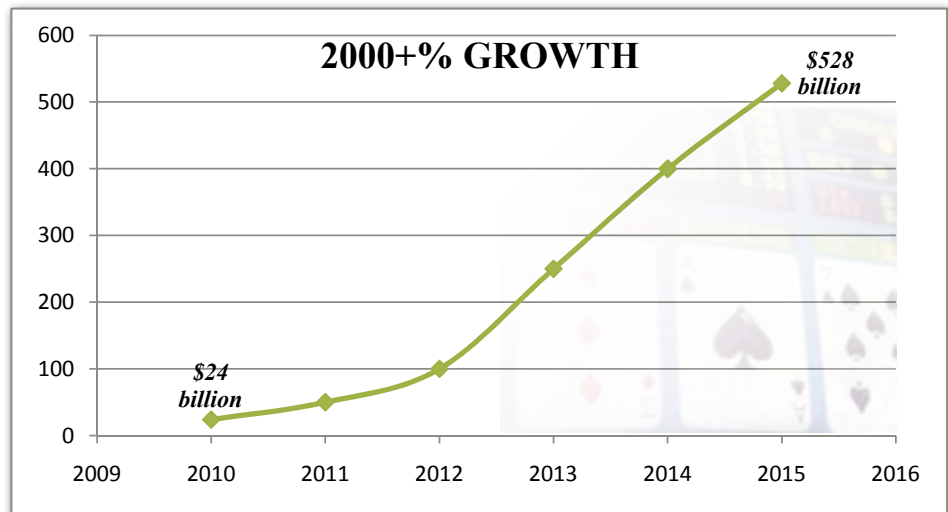
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**Global Pari-Mutuel Services (GPRM.OB) is poised to capitalize on the upsurge in online gambling**

*The upcoming launch of its proprietary software platform will be the “spark that ignites its stock price”*

Online Gambling is exploding. Revenues from online gambling are expected to reach 24 billion in 2010 - double what it was in 2005, according to Wall Street analysts. And the upcoming growth will be far more spectacular. According to the same report, online gambling revenues **will skyrocket over 2000%** in the next few years to \$528 billion by 2015, making it the largest ecommerce industry, by far.



*Growth of Online of online gambling*

In terms of profit potential, the industry has barely left the starting gate. In the current economic climate it would be difficult to find any other industry with this kind of explosive growth.

The question is how can investors take advantage of it right now? We believe we have found that opportunity in a gem of a microcap company. Global Pari-Mutuel Services, Inc. (GPRM.OB).

Management believes GPRM has the products, strategy, talent and capabilities in place to ride the online gambling wave. And with worldwide product launches ahead, the time for investors to hop aboard is now.

## About the company

*A central processing system for thousands of daily wagering transactions*

*A kind of PayPal for online gambling*

Global Pari-Mutuel Services is an interactive pari-mutuel gaming provider that operates multiple legal wagering channels and services both domestically and internationally. Through its international operations based in Antigua, the Company serves as a link between U.S. racetracks that feature thoroughbreds, harness, and greyhounds and venues that cater to off-site pari-mutuel wagering, such as international simulcast facilities and the internet.

GPRM offers a central processing system for thousands of daily wagering transactions. Its highly secure, state-of-the-art wagering platform provides complete and comprehensive controls to insure accurate processing and reconciliation for each wager and each client.

GPRM generates revenues from the following service areas:

- Internet portals - it provides track-related content and enables betting on its racing websites: Trackplayer.com and RTCSportofKings.com.
- Settlement and reconciliation services.

Think of it as a kind of PayPal for online gambling, insuring seamless transactions for both the bettor and the track.

- Track-related internet games.
- Content for traditional walk-in OTB (off track betting) locations.

GPRM is executing on a three part strategy that will propel it forward as online gambling usage and revenues climb.

### **1) Continue to be more and more dominant in its U.S. online gambling segment**

GPRM's track wagering focus enables it to leverage the only form of online gambling legally permitted in the U.S.

### **2) Capture a larger share of the international market for online gambling.**

Its priority licensing arrangement provides an enormous edge over the competition.

### **3) Roll out of new racing websites and track-related games**

The company is planning to increase the number of its own gaming sites by 200-300% this year. Its new Instant Racing player games exploits a

*Over 50 major U.S. betting venues have signed up to be featured in GPRM 's new platform*

*GPRM will be able to snare a large portion of this migration to online track wagering*

virtually untapped market for track-racing games both domestically and internationally.

The immediate driver for growth both domestic and international is the launch of a new, more powerful version of its proprietary online wagering platform. It's faster than the competition, more user-friendly, and more compelling for viewers.

Internet Betting venues and casino operators are interested in becoming marketing partners in order to offer their customers better access and delivery of the only legal form of online gambling in the U.S. The company has already signed up over 50 U.S. horse and dog tracks to be featured in its platform. Each of these venue partners has thousands of players in their database.

#### **Let's take a look at GPRM 's growth in the U.S. market.**

A key factor in GPRM 's favor actually started out as a big setback for companies serving the U.S. gambling market. In 2006 Congress passed the Unlawful Internet Gambling Enforcement Act, or UIGEA. Basically, the legislation banned the transfer of funds from financial institutions to online gambling sites. But the ban does not apply to horse, harness and dog racing.

Horsetrack-related betting remains the only legal form of online gambling in the US.

The ban turned out to be a boon for GPRM. Unable to bet on other online games, more and more people have turned to websites and facilities that offer online legal track betting. By providing better services and enhanced content, GPRM will be able to snare a large portion of this migration to online track wagering.

While increased traffic has been important, there is another factor that makes GPRM an excellent investment ...

#### **To truly understand Global Pari-Mutuel's profit potential you need to look at its heads - we win, tails we -win business model.**

The company nets 10-15% of the total amount wagered on its own gaming websites and 5-7% from the websites of its venue partners who use its proprietary online platform.

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***Fully compatible  
and scalable with  
AmTote International  
betting terminals***

Keep in mind that unlike physical or internet casinos, it doesn't matter to GPRM who wins or loses – it *always* gets its percentage from the total amount wagered. It's like rolling the dice and always coming up sevens.

## **International growth**

GPRM is making big inroads in the International market. Through the Global Pari-Mutuel Network, customers of international off-track betting operations have access to pari-mutuel pools, real-time odds, scratches, daily results lines, daily race programs, past performance programs data, and other handicapping data and information.

GPRM expects its international business to become bigger than its U.S. business. Here are some reasons why:

### **1) Priority licensing**

The company is the only non-racetrack operator outside the US with a license from Equibase. Equibase is the source for all program content and handicapping core services for the racing industry. Through Equiphase, GPRM can provide past-performance data, speed ratings, and handicapping tips to its international clients.

### **2) Fully compatible with international betting terminals**

The Company is one of a select few in the business that has a software platform that is fully compatible and scalable with AmTote International betting terminals – one of the largest in the industry. This gives GPRM a decisive competitive edge as it expands its international business.

### **3) More gaming options**

The company will be rolling out racing games that have already proven successful into the international market. And because the international market does not have the restrictions of the US market, GPRM will also be launching additional slots-like games that are expected to further boost revenues.

## A stock that's off to the races

*At its current price (as of the writing of this report) this represents a significant windfall for savvy investors*

*The team's expertise covers all the bases needed to execute their ambitious plans*

We expect the launch of GPRM's high speed, enhanced software platform to ignite profits both domestically and internationally. In addition, its business methodology and advanced utilization of online delivery technology enables GPRM to operate with much lower overhead costs than most existing operators, giving it further competitive advantage.

Management is forecasting that net earnings may approach \$1.5 - \$2 million or approximately \$0.08 - \$0.10 per share this year and \$6.4 million or approximately \$0.30 per share in 2011.

Based on a conservative 15x forward P/E we anticipate a near term share price target of \$1.50. At its current price (as of the writing of this report) this represents a significant windfall for savvy investors.

### **The right management in place to propel the company**

Online track betting is a clubby business. You need to know the track owners, the betting facilities, the casinos, the vendors... and they need to know you and trust you. GPRM has a highly experienced team, who over time have forged important relationships with key people in the business.

The team's expertise covers all the bases needed to execute their ambitious plans, including operations, regulatory, compliance and simulcast technology fields.



## Management Team

**Priority international  
licensing and software  
compatibility give  
GPRM a decisive  
competitive edge**

### **James A. Egide, CEO**

*James A. Egide is the Chief Executive Officer and is responsible for managing the day-to-day operations. Prior to founding GPRM, Mr. Egide served as Chief Executive Officer and Chairman of the Board of Carme Inc., a company he founded in 1978. Further, Mr. Egide has also served as Chairman and Chief Executive Officer of Digital Courier Technologies Inc.*

### **Joseph P. Neglia, Vice Chairman, Chairman Royal Turf Club**

*Joseph P. Neglia is the Vice Chairman and Chairman of the Royal Turf Club Division. Mr. Neglia previously served as Chairman of the New York State Racing and Wagering Board and as Assistant Industrial Commissioner to the Department of Labor. In 1994, Mr. Neglia received the Joan Pew Award presented to individuals displaying "courage, dedication, vision and vitality."*

### **Michael D. Bard, CFO**

*Michael D. Bard is the Chief Financial Officer and is responsible for managing the overall financial operations of Pari-Mutuel. Mr. Bard has served as a financial consultant to several credit card processing companies, and has also served as a controller for various publicly traded companies, privately held businesses and government service firms. Mr. Bard is a CPA.*

### **Bruce Benedict, President, Royal Turf Club**

*Bruce Benedict is the President of the Royal Turf Club Division and has been instrumental in the development of the technology platforms. Prior to joining Global Pari-Mutuel, Mr. Benedict served as Executive Vice President of International Sales at United Tote Company. Mr. Benedict has also served as Program Director for Control Data Corporation's Automated Wagering Division.*

### **Lorene Heninger, Vice President of Simulcasting, Royal Turf Club**

*Lorene Heninger has been Vice President of Simulcasting at Global Pari-Mutuel Services, Inc. since May 2007. Ms. Heninger has approximately 20 years of experience in the OTB industry. Prior to joining the Company, Ms. Heninger served as the Director of Simulcasting for Hawthorne Race Course*

*GPRM is well-positioned  
for substantial growth  
this year*

**The way to realize the biggest gain from Global Pari-Mutuel (GPRM.OB) is to get in on the stock now, before word gets out, and while it still has most of its upside growth ahead. Visit your online investing provider now or call your broker.**



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