

Contact: Tuesday Umland or Bret Blount
Access Communications
(415) 904-7070, ext. 267 or 285
tuhland@accesspr.com
bblount@accesspr.com

Teen Gamers Can Now Purchase Online Without Credit Cards: HEAT.NET Frequent Player Points are as Good as Cash at Partner sites.

An e-commerce first, Degrees, HEAT.NET frequent player points, are now redeemable at Chips & Bits, giving online purchasing power to HEAT's 1.5M members

REDWOOD CITY, Calif. (May 6, 1999) – HEAT.NET, the world's largest core gaming community, signed its first e-commerce partnership with Chips & Bits™, the online gaming superstore, to give HEAT's largely teen demographic online purchasing power. Effective immediately, Degrees™ (HEAT frequent-player points) are redeemable for all goods and services at Chips & Bits.

HEAT.NET (www.heat.net) members earn Degrees for every hour that they spend on HEAT. In addition to earning participation-based awards just for logging in, skilled gamers earn Degrees for winning tournaments and other competitive contests. Previously redeemable only at the HEAT site, Degrees can now be spent by Premium HEAT.NET Members on all Chips & Bits products.

“We're excited to offer our younger members the ability to buy products over the Internet,” said Rich Pearson, director of marketing, HEAT.NET. “Instead of asking for their parents' credit card every time they want to make a purchase, HEAT members can now spend at will.”

With more than 40 percent of HEAT members younger than 18, the partnership satisfies an immediate market need. Prospects for the future are even more enticing as

analysts project that 60% of total online gamers will be under 18 by 2002. (Jupiter Communications, January 1999)

“We welcome this innovative e-commerce partnership with HEAT,” said Yale Brozen, Chips & Bits president and CEO. “And we look forward to HEAT members cashing in their Degrees at Chips & Bits.”

The only Internet gaming community with an affinity program that rewards its members for playing games and spending time on the site, HEAT has paid out more than 700 million Degrees since the site opened to the public in late September 1997.

HEAT’s Degree program, its wide selection of more than 100 games and its unique community features have fueled its rapid growth. HEAT has nearly 1.5 million registered members, having doubled its membership since the beginning of the year.

About HEAT.NET

HEAT.NET (www.heat.net) is the free online multi-player gaming service with the largest selection of games. HEAT.NET combines the best selection of multi-player PC games (over 100 are featured) with a thriving community of online gamers (1.5 million) and offers hundreds of competitive online gaming events and unique competitive features including the only rewards system for online gamers (frequent player points known as Degrees). While gameplay is free for all members, Premium membership allows players to redeem their frequent player points for prizes and make purchases in the HEAT.NET store. Premium members can also wager their points against one another in games of skill. HEAT.NET is the exclusive games provider for the @Home Network and the premiere games provider for Road Runner cable modem customers. HEAT.NET also operates the HEAT Collegiate Internet Gaming League (www.heatcigl.net) which features representatives from hundreds of colleges and universities in North America.

About SegaSoft Networks, Inc.

SegaSoft Networks, Inc. (SNI) develops and operates online gaming services and technology, including its flagship network HEAT.NET. Located in San Francisco, SNI is a privately held company whose shareholders include CSK and Sega Enterprises. For more information about SNI please visit www.segasoft.com.

SegaSoft, HEAT, HEAT.NET and Degrees are trademarks of SegaSoft Networks, Inc. All other trademarks are the property of their respective owners.