

Q1 2013

Revenues increased by 19 percent



Presentation Outline

- ✓ Introduction
- ✓ B2C - Business to Consumers
- ✓ B2B - Business to Business
- ✓ Regulated Markets
- ✓ Q1 Highlights
- ✓ Mobile
- ✓ Legal Update
- ✓ Events after Q1
- ✓ Q&A



INTRODUCTION

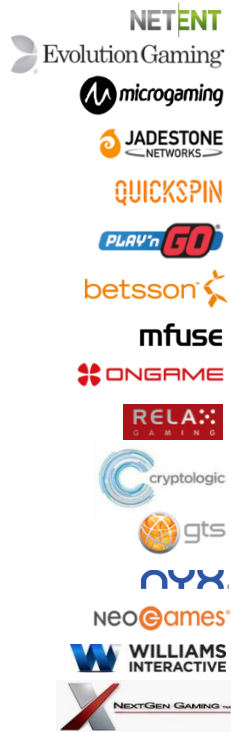


Betsson - 50 years in gaming

- ✔ 743 (459) employees + 195 (165) full time consultants
- ✔ Listed on Nasdaq OMX Nordic, Mid Cap (BETS)
- ✔ Market Cap of approximately € 1 000 000 000
- ✔ Licensed in Malta, Italy, Denmark and Estonia



Multi Supplier and Multi Brand Strategy



Proprietary
Gaming
Platform

Business to Consumers (B2C)



Business to Business (B2B)



Business model development

Betsson continues to invest in a number of internal projects in order to optimise its business for growth:

“E-Commerce” capabilities

- *Business Intelligence*
- *One-to-one marketing*
- *SEO*
- *Conversion optimisation*

Backend efficiency

- *Platform migrations*
- *Payment optimisation*

Product enhancement

- *Mobile product development*
- *Broader Games of chance offering*
- *Broader Sportsbook offering*



Automaten acquisition

- ✓ After the transaction Betsson is fully responsible for the brands Sverigeautomaten, Norgesautomaten and Danmarksautomaten
- ✓ Annual savings of 52.7 SEKm, based on 2012 years activity level.
- ✓ Low risk acquisition - Migration and integration completed.

SverigeAutoMaten.com
Svenska spelautomater på nätet

NorgesAutoMaten.com

DanmarksAutoMaten.com



B2C - BUSINESS TO CONSUMERS

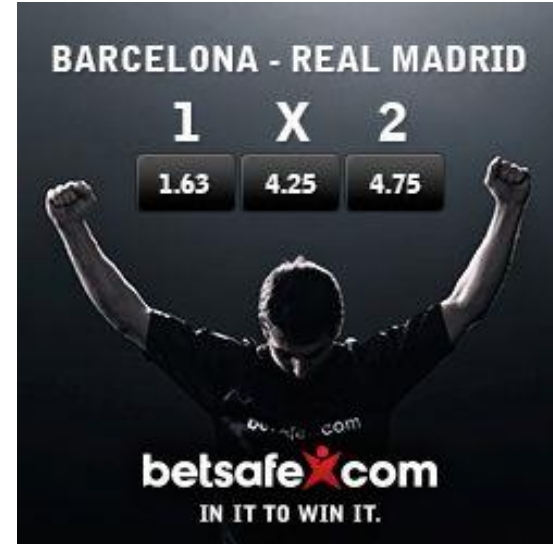


PRESENTATION Q1 2013



Betsafe - Back on track

- ✔ Betsafe's performance on the right track
- ✔ Best performing B2C brand in March
- ✔ Sportsbook and mobile more than fulfill our expectations, goes for all brands in the group.



**DOUBLE YOUR FIRST
DEPOSIT TODAY.**

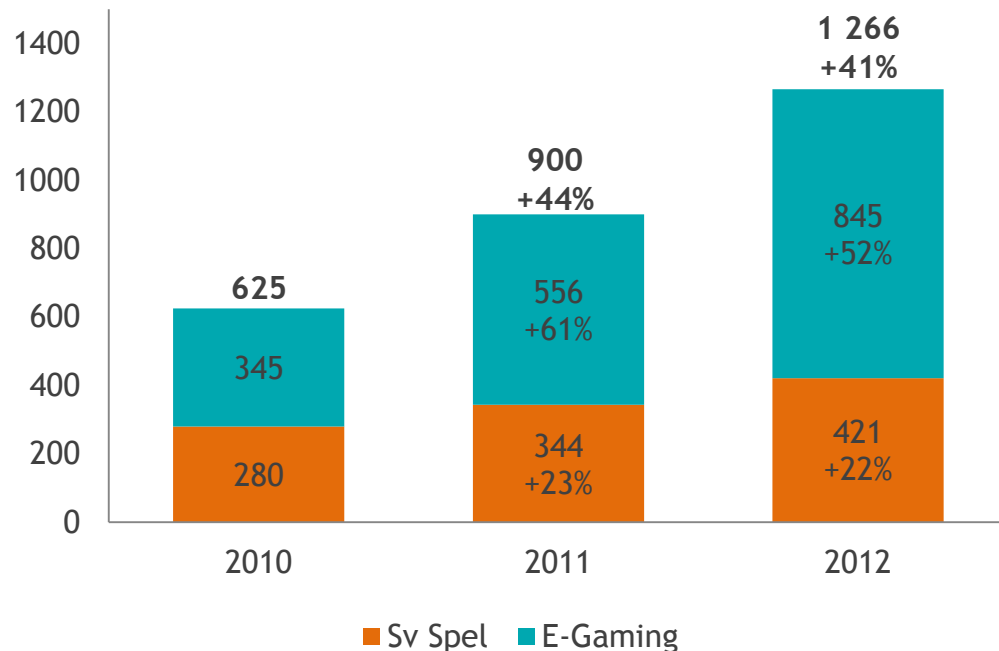
betsafe.com
IN IT TO WIN IT.

The image shows three people (two women and one man) smiling and celebrating together. They are dressed in formal attire. The background is dark with a red glow on the right side. The 'betsafe.com' logo and slogan 'IN IT TO WIN IT.' are visible in the bottom right corner.

Increased media spending

- ✓ In 2012 E-Gaming operators grew +52%.
- ✓ For 2013 Betsson estimate a continued strong growth in media investments.
- ✓ Need to spend more to meet competition

Gross Media Spending (mSEK) Sweden



Betsson - Marketing

- ✓ Campaign in the Nordics for Betsson.com including Fredrik Ljungberg (Sweden), Thomas Myhre (Norway) and Jari Litmanen (Finland)
- ✓ Aim to build long term brand value
- ✓ New media channels used after Gerdin/Sjöberg verdict



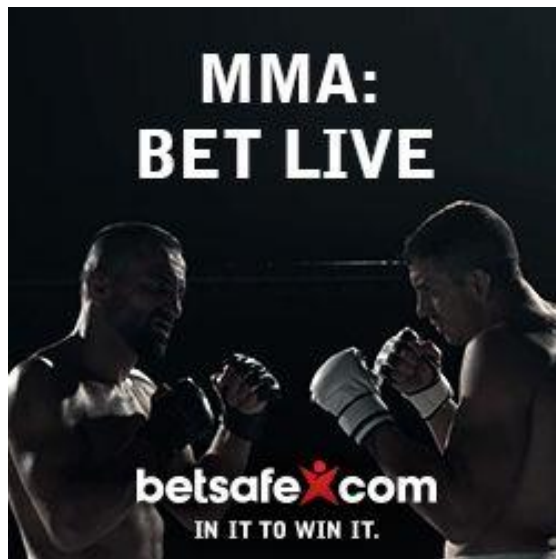
Betsafe & Nordicbet - Marketing

Betsafe

- ✓ New slogan - In it to win it
- ✓ Tv commercial running
- ✓ Sponsored athletes at UFC
- ✓ Betsafe Alpine challenge in Åre
- ✓ Gumball 3000 coming up

Nordicbet

- ✓ Commercial running with Nordicbet ambassador Börje Salming
- ✓ Next big event - Ice Hockey World Championship in Stockholm



B2B - BUSINESS TO BUSINESS



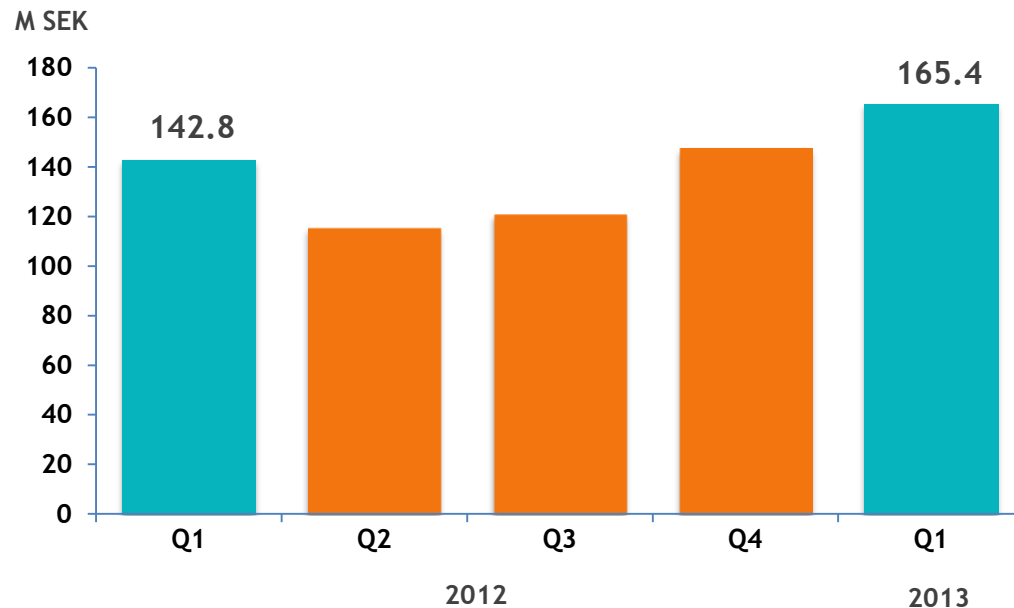
PRESENTATION Q1 2013

betsson ab



Gross profit development, B2B

- ✓ Gross profit for B2B amounted to SEK 165.4 (142.8) million, an increase of 16 percent
- ✓ Strong development driven by Sportsbook growth
- ✓ Going forward, Automaten will be excluded from B2B



REGULATED MARKETS



Italy, Denmark, China

- ✓ The development of the Italian casino site Starcasino.it has been slower than expected. However, there are still opportunities to establish a successful business in Italy.
- ✓ Danish sites continues to grow and gave a positive net contribution in Q1. The set of regulations in Denmark provides a groundwork for evaluating potential new gaming laws in Betsson's main markets.
- ✓ During the first quarter, the software development continued in China. Betsson expects no material revenue in the coming quarters from the Chinese market.



Q1 HIGHLIGHTS



Q1 Financials

- ✓ Revenues amounted to **SEK 638.7** (536) million, equivalent to an increase of **19** percent
- ✓ Operating income amounted to **SEK 161.1** (174) million
- ✓ Operating margin (percent of Revenues) amounted to **25.1** percent (31.9 percent)

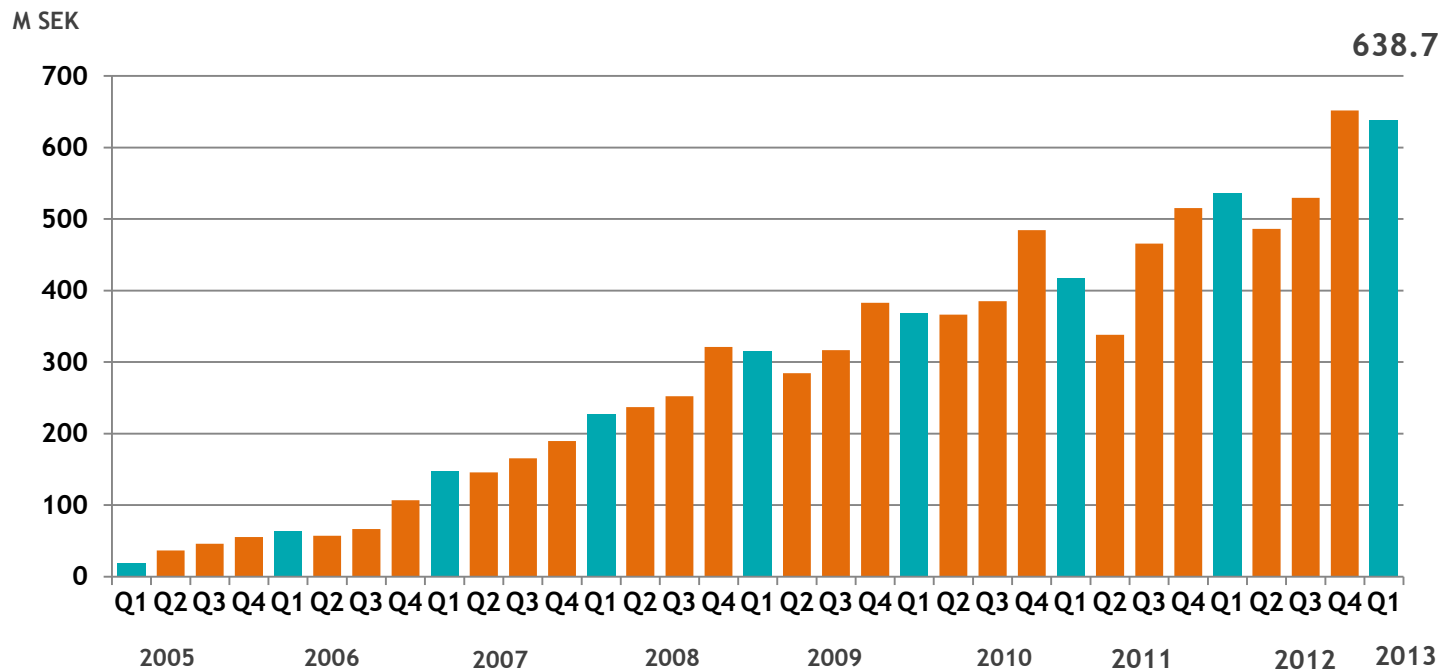


Q1 Financials

- ✓ Deposits in all of **Betsson's gaming solutions** amounted to SEK 2,113.9 (1,468.6) million, which represents an increase of **44 percent**
- ✓ Cash by end of period **SEK 606.4 million** (588.4)
- ✓ **Earnings per Share SEK 3.54** (3.91)



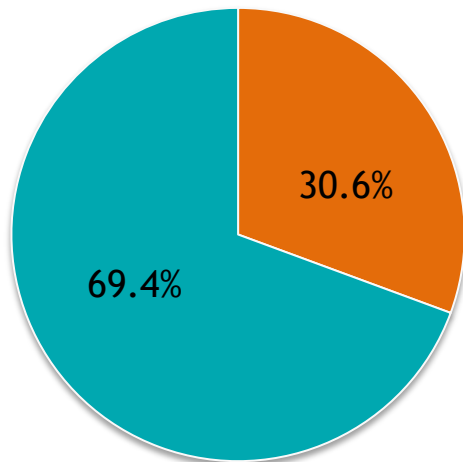
Revenues



PRODUCT AND GEOGRAPHICAL SPLIT



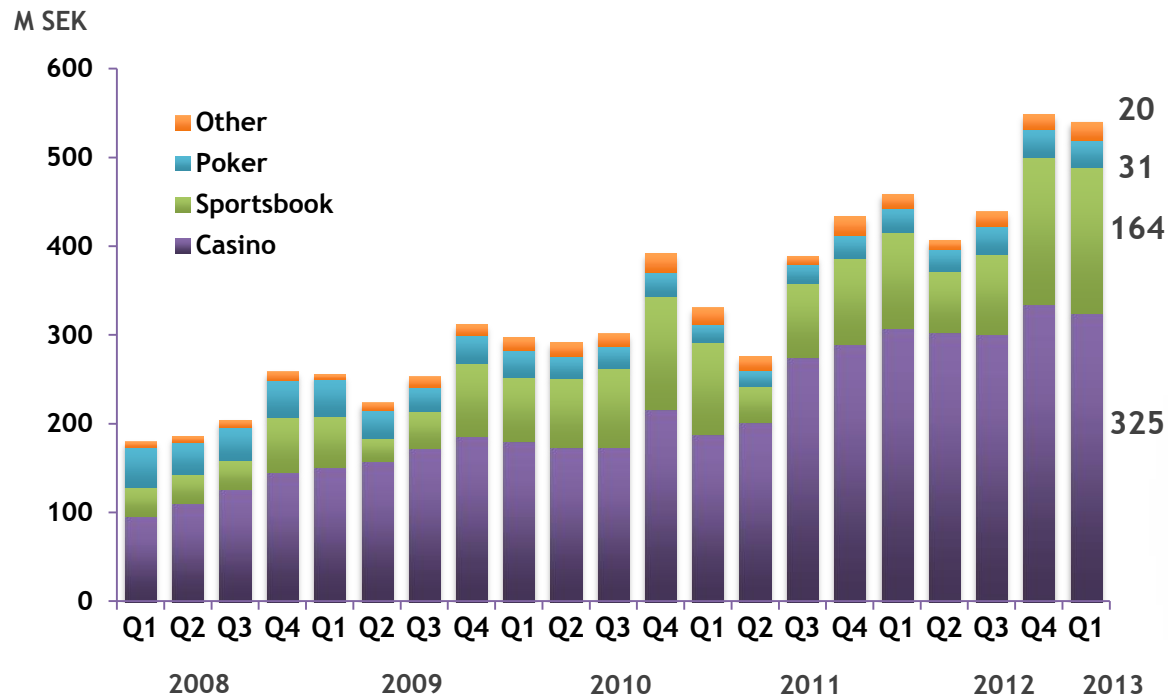
Gross Profit per Segment



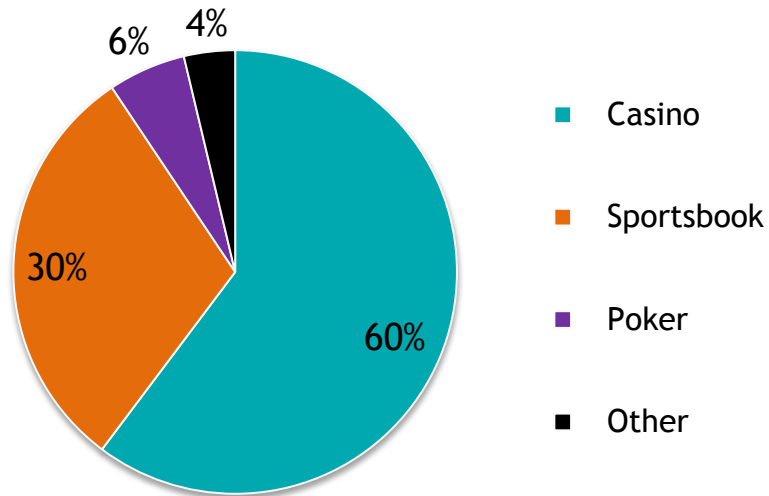
- B2B, Business to business
- B2C, Business to consumers



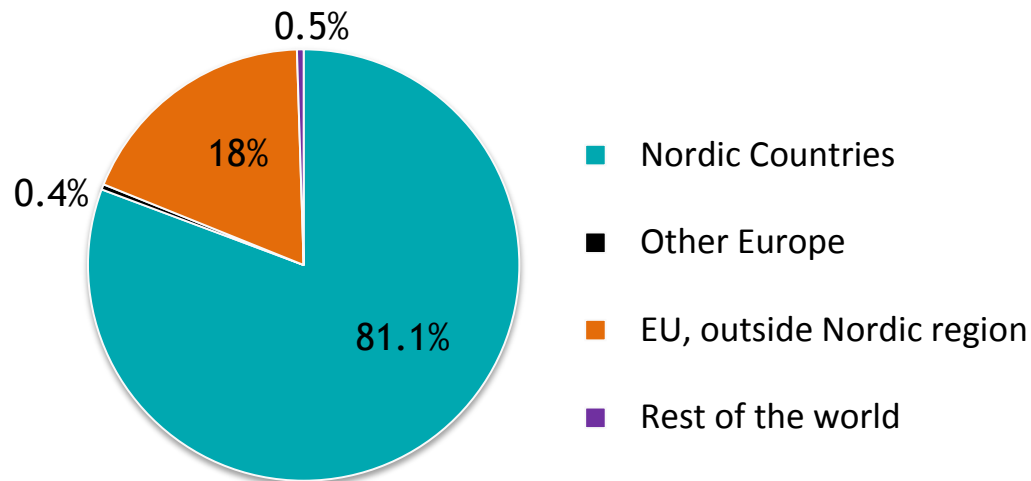
Gross Profit per Product



Gross Profit per Product



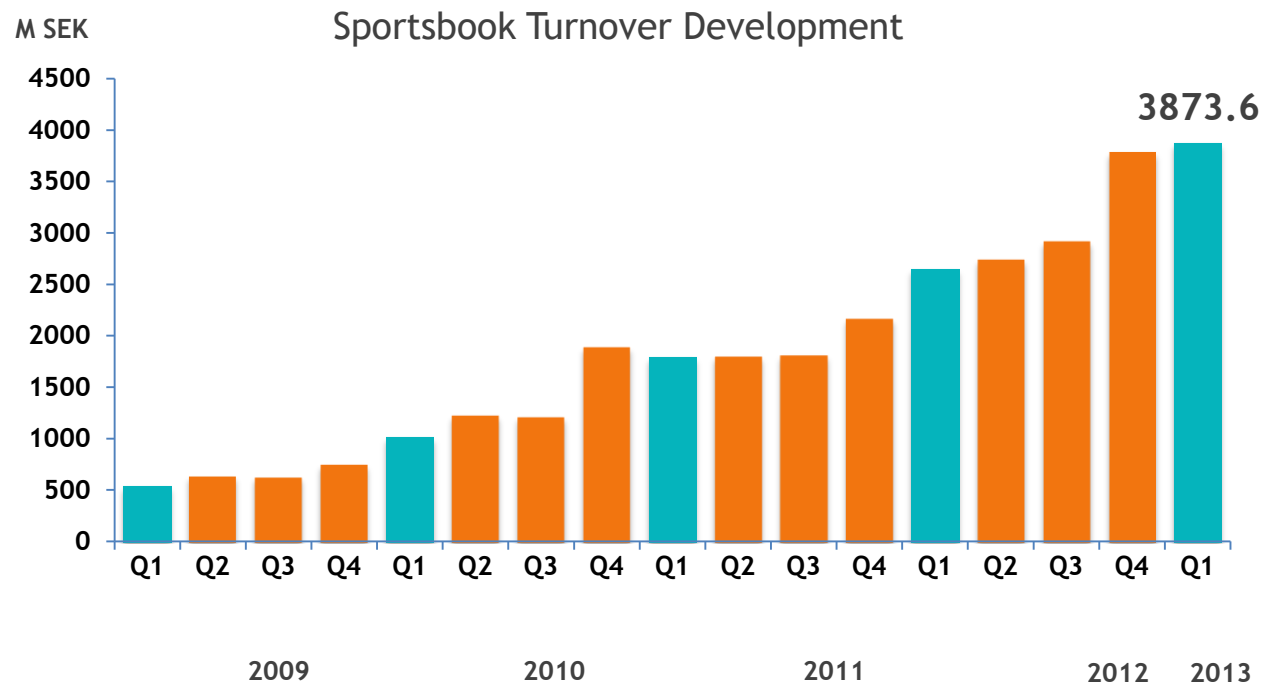
Gross Profit per Geographical Area (B2C)



KEY PERFORMANCE INDICATORS



ATH in SB Turnover

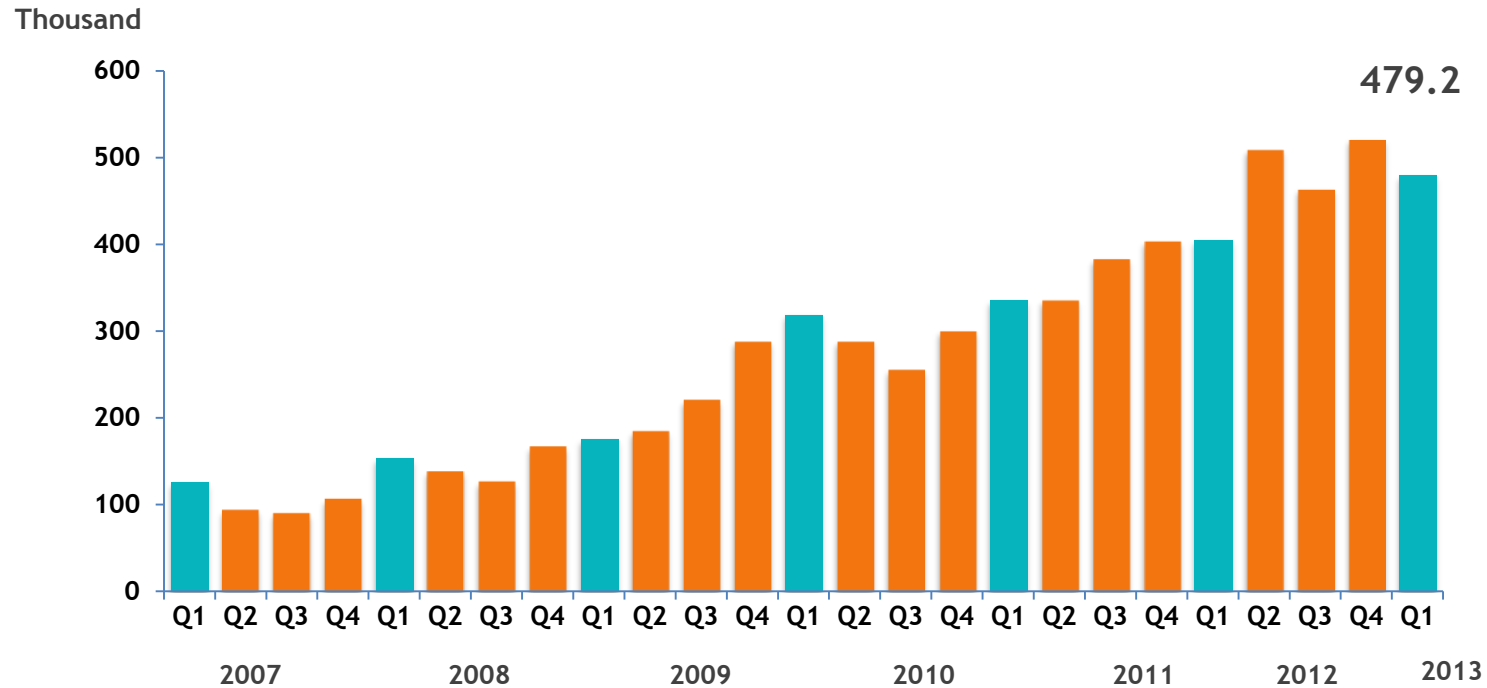


Q1 SB Margins

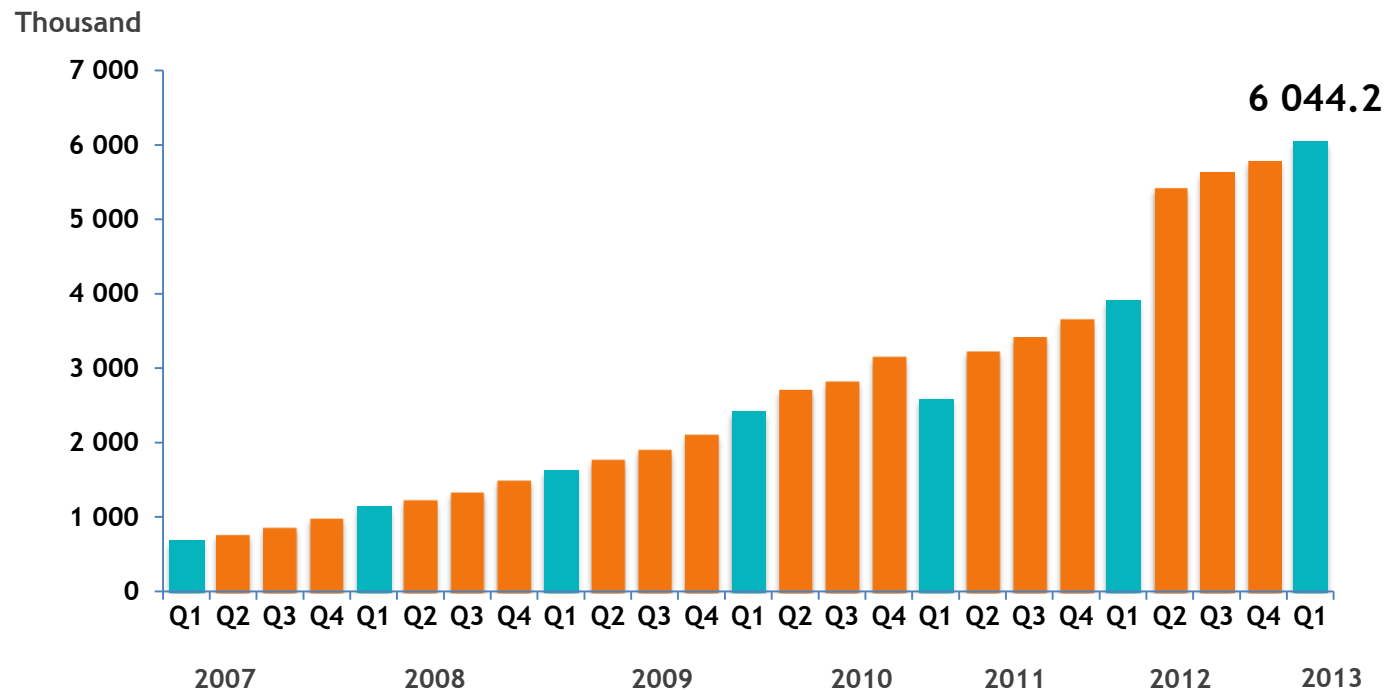
SEK million	2013 - Q1 SB	2013 - Q1 3rd PARTY SB	2012 -Q1 SB	2012 - Q1 3rd PARTY SB
Gross Turnover	1,230.6	2,643.0	645.5	1,998.6
Gross Margin SB	6.7%	3.1%	6.9%	3.2%
SEK million	82.8	81.2	44.6	63.2

* Margins after allocated costs

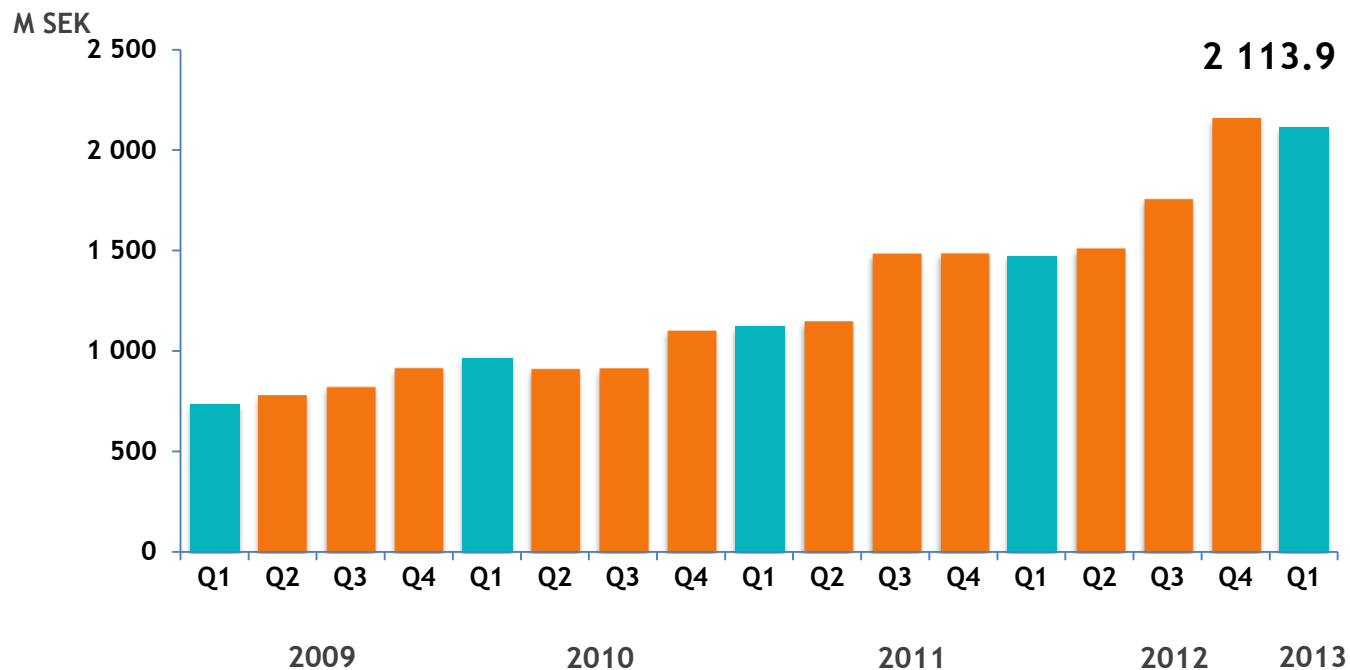
Active Customers



Registered Customers



Deposits



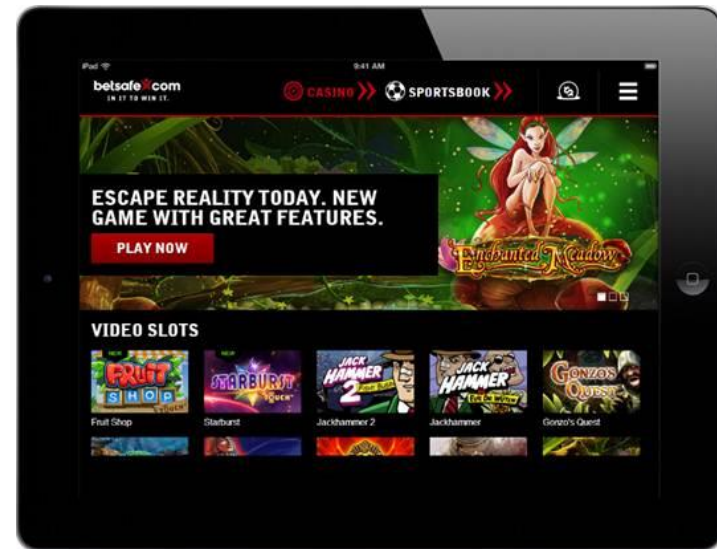
Growth Indicators Summary

	Y/Y	Q/Q
Active Customers	18%	-8%
Registered Customers	55%	5%
Revenue	19%	-2%
Customer Deposits*	44%	-2%
Gross Turnover SB*	47%	2%

The measure **Active Customers** shall be seen in a longer perspective

* Including all of Betsson's gaming solutions

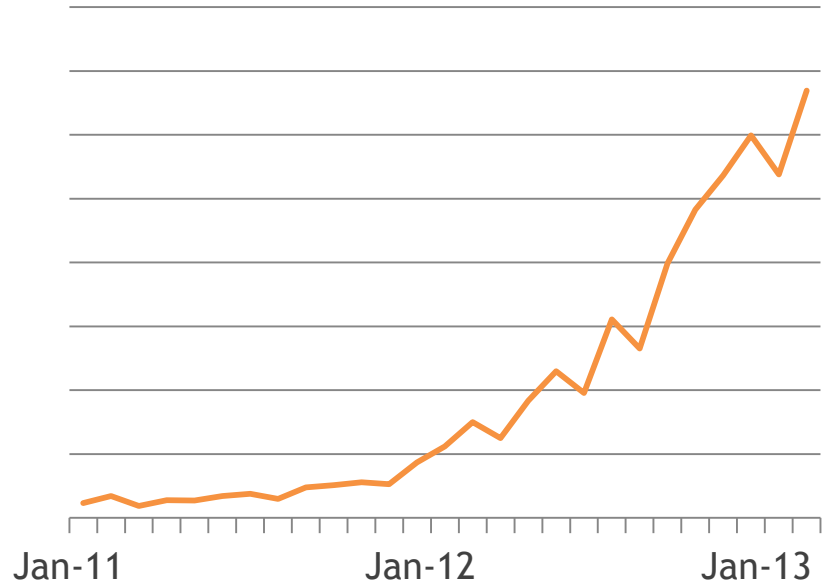
MOBILE



Mobile Growth

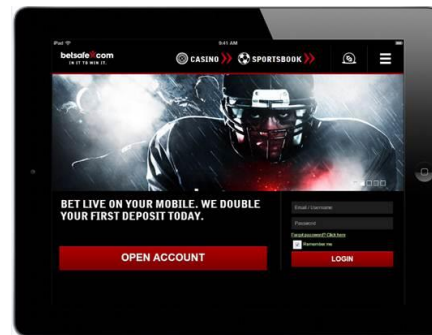
- ✔ Strong development throughout 2012, Betsson management believes this trend will continue in 2013
- ✔ Mobile revenues 8% of total revenues. Mobile growth from Q1 2012 is 485%
- ✔ Mobile gross winning has an impressive growth so far
- ✔ Sportsbook turnover 10% of total in Q1

Mobile gross winning



Mobile development

- ✔ New features implemented, such as live chat with support, deposits, more payment options, new bonus system and more games
- ✔ Similar to our websites in functionality
- ✔ Ipad version launched
- ✔ CasinoEuro.dk in app store, our first Native app
- ✔ Keep adding functions



Mobile - Betsson

- ✓ The next big step is Betsson.com - launch in Q2
- ✓ A complete mobile offering with:
 - Sportsbook
 - Livestreaming
 - Casino
 - Scratch
 - Poker
- ✓ More competitive offer - industry leading solution
- ✓ Huge installed base to cross sell



LEGAL UPDATE



Germany

- ✓ The legal uncertainties in Germany will continue for quite some time despite the new federal licenses being issued.

The Netherlands

- ✓ The new law proposal is delayed, which means that licenses probably will not be granted until at least 2014.

Sweden

- ✓ PM to be issued by Finance Ministry in June.
- ✓ Betsson continue to educate and influence different stakeholders through the Swedish business organisation BOS.
- ✓ New possibilities for marketing after Gerdin/Sjöberg verdict late 2012 .



USA

- ✓ Nevada, New Jersey and Delaware have now moved ahead with online gaming regulations.
- ✓ No major political support for liberalising online gaming on a federal level.
- ✓ The situation is difficult due to the fact that New Jersey most likely will allow PokerStars to get a license while Nevada and other states oppose this. On top of this the sports organisations (NHL, NFL, NBA etc.) will sue New Jersey for violations of a federal law banning the expansion of sport betting.



EVENTS AFTER Q1



- ✓ The second quarter started with revenue at a lower average level than in the first quarter, which is expected because of the seasonal variation.
- ✓ On April 20, a pooled Jackpot of EUR 6.7 million went out on Betsson.com.
- ✓ There have been **no other significant events** after the end of the period



Q&A

