

2010-02-11

Presentation FY 2009

Pontus Lindwall
CEO and President



Betsson

- Introduction
- Full Year Presentation
- Product and Geographical split
- Key Performance Indicators
 - Sportsbook margin
 - Customer deposits
- Legal
- Events after Q4
- Q&A



2010-02-11

Betsson

Introduction



Betsson

- 45 years of accumulated competence
- 258 employees
- Listed on Nasdaq OMX Nordic, Mid Cap (BETS)
- Market Cap of € 500 000 000
- National monopolies make up primary competitors, secondary competitors include Unibet, Ladbrokes, Expekt, Bwin and similar



START

SPORTSBOOK

EXCHANGE

SCRATCH

CASINO

POKER **NEW**

BINGO **NEW**

GAMES

ARE YOU A POKER SHARK?

Test your skills at Betsson Poker!
Both beginners and aspiring pros are welcome!

PLAY HERE!

POKER

- Upcoming tournaments
- News and Events

Poker players online: 1721

CASINO

- Current Winners
- Hot picks

Bonus Keno:

SPORTSBOOK

Most popular markets

Novak Djokovic v. Marco Chiodine III Thu 13:00

1 1.02 2 2.40

Marsel Elhan v. Mikhail Youzhny Thu 10:05

1 4.00 2 1.22

Gael Monfilis v. Thimo De Bakker Thu 11:30

1 1.18 2 4.50

Live games

Number of markets to bet on: 11845

BINGO

- First deposit bonus 30 GBP!
- Win a trip for 2 persons

EXCHANGE

- Most popular markets
- Live games

Markets to bet on: 2403

SCRATCH

- A quick scratch away from €100 000!
- More than one third are winning cards!

GAMES

- Current Winners
- Hot games - Past winners

PLAYERS

Players online

2 960

Why Betsson?

- Award winning site
- Secure and fast payments
- 18 million poker players
- Top-class support
- Points when you play

News

Check out our new poker lobby! Betsson poker is hotter than ever with new improved design, simplified menus, new FAQ section, new My poker section, new player count, etc. Check it out here!

Betsson awarded Socially Responsible Operator of the year. Betsson was awarded the prize Socially Responsible Operator 2009 at the annual BGR Awards ceremony which is considered the Oscars Gala of online gaming. The ceremony, which was arranged by eGaming Review, was held in London on the 30th of November. Betsson won in competition with Camelot, Party Gaming, Ladbrokes and others.

Upcoming Events

Thu 11:00 - Casino Lunch Race!

Thu 17:00 - Casino Daily Champ!

Thu 22:00 - Casino Midnight Express!

- Home
- Register
- Payment options
- Casino
- Poker
- Promotions
- Winners
- Invite a friend
- About us
- FAQ
- Customer Support



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Play Poker

JACKPOTS 8,067,441€

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Big winners

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Arabian Nights

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Hem

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Betalningsmetoder

Kasino

Poker

Kampanjer

Vinnare

Bjud in en vän

Om oss

Kundtjänst

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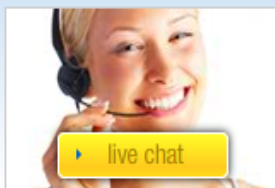
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PÅ NÄTET

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2. Gör en insättning och få bonus
3. Spela och vinn

» skapa konto

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för riktiga pengar



Spela gratis
Casinospel



Spela

SVERIGEAUTOMATEN
ONLINE POKER



Gold Rush

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med Sverigeautomaten

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- » Kundservice på svenska dygnet runt
- » Stora jackpots och casinobonusar

Vi är licensierade av myndigheter inom EU och har levererat ett första klassens onlinecasino till mer än 300,000 medlemmar sedan 2002. Spela tryggt hos Sverigeautomaten!



100%
säkert kasino

Just nu! **111€ bonus**
på din första insättning

» registrera dig



» läs mer





+100 PELIÄ

Siirry aulaan

- Suosikit
- Arvat
- Kolikkopelit
- Videopelit
- Pöytäpelit
- Arvat urheilu

Turnaukset

Jackpotit

Usein kysytyt kysymykset

Vastuullinen Pelaaminen

Tietoa meistä

Tietoa arvoista

PELAA LEIKKIRAHALLA

Ota meihin
yhteyttä 24/7

Puh E-mail Chat



Loistopelit. Loistovoitot.

- Joka kolmas arpa voittaa
- Suuret Jackpotit
- Tuet hyväntekeväisyyttä



Arabian Nights Jättipotti: 4624845 €



Suosikit

Arvat

Kolikkopelit

Videopelit

Pöytäpelit

Arvat urheilu

Näytä kaikki

3 Wow

Tässä pelissä sinulla on mahdollisuus voittaa mahtava palkinto, 5 000 € kuussa viidentoista vuoden ajan!



Aloittaminen on helppoa

- 1 Rekisteröidy
- 2 Saa bonuksesi/arpasi
- 3 Pelaa ja voita

AVAA PELITILI

Pelaajia
online

285

Kokeile nyt
**2 ilmaista arpaa
voita 5500 €**
joka kuukausi 15 vuoden ajan
Ei vaadi talletusta

KLIKKA TÄSTÄ

Voittajamme tällä hetkellä

7:58	Hi-Lo Switch	
	Asd A	26 €
8:22	Joker Wild	
	Aki L	10 €
8:22	Joker Wild	
	Aki L	13 €

Suurvoittajia

Deuces Wild		
	Toni S	10 000 €
Golden Shamrock		
	Juha S	6 015 €
Black Jack		
	675 7	4 800 €

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Are your visitors to your website or your clients interested in sports, casino, bingo or poker? Are you interested in making money in a smart, convenient way? By joining Affiliate Lounge, you could be earning commissions just by referring your visitors and clients to one of our industry leading brands; [Betsson](#), [Casino Euro](#) or [Cherry Casino](#).

Affiliate Lounge is one of the most respected and renowned gambling affiliate programs in the business. With the size and experience of our team, multiple language support, trusted partner brands and wide variety of marketing tools we make sure that every partnership is as profitable as possible. For every player you refer to us, you will enjoy player lifetime revenue with up to 50% revenue share and no negative carry over.

Benefits

Rapid growth and reliability

Affiliate Lounge is part of the Betsson Group, awarded Top 10 gaming company in E-gaming review.

Reporting and realtime tracking

Wide-ranging online reporting tools with in-depth information regarding players' sign-ups, conversions and more.

Effective marketing tools

Great variety of banners available in 19 different languages and a lot of other tools.



High Growth and Profitability

	Revenue Growth	EBIT-margin
2007	121%	29.3%
2008	60%	26.7%
2009	25%	24.4%

- Outperforming both market growth and competitors
- Manage to "invest during operation", constantly investing in IT-infrastructure and partnerships while managing operations

Shareholder value

- According to dividend policy, 75 percent of profits shall be distributed to shareholders
- Automatic redemption process (more favourable than dividends)
- The strong performance has given the best shareholder increase since beginning of 2006 in comparison to competitors

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Betsson

Financial
Presentation
Q4 2009



Q4 Highlights

- Revenues increased 19 %
to SEK 382.9 M (321.1)
- Operating income increased 2 %
to SEK 93.5 M (91.9)
- Earnings per Share SEK 2.29 (2.37)

Numbers in gray = Q4 2008

Q4 Highlights

- Operating margin 24.4% (28.6)
- Active customers increased 72%
to 288 700 (167 400)
- Cash by end of period SEK 529.1
million (373.2)

Numbers in gray = Q4 2008

Q4 Highlights

- Increased transfer to shareholders of SEK 9.00 (5.10), where 5.75 (5.10) is ordinary transfer and 3.25 (0.00) is extra transfer.
- Despite increase of transfer to shareholders; in June, cash and cash equivalents is assumed to exceed SEK 300 M
- Betsson awarded most socially responsible operator at EGR Awards

Numbers in gray = 2008

Quarter on Quarter

- Revenues increased 21% to SEK 382.9 M
(316.7)
- Operating income increased 18% to SEK 93.5 M
(79.4)
- Active customers increased 31% to 288 700
(220 900)

Numbers in gray = Q3 2009

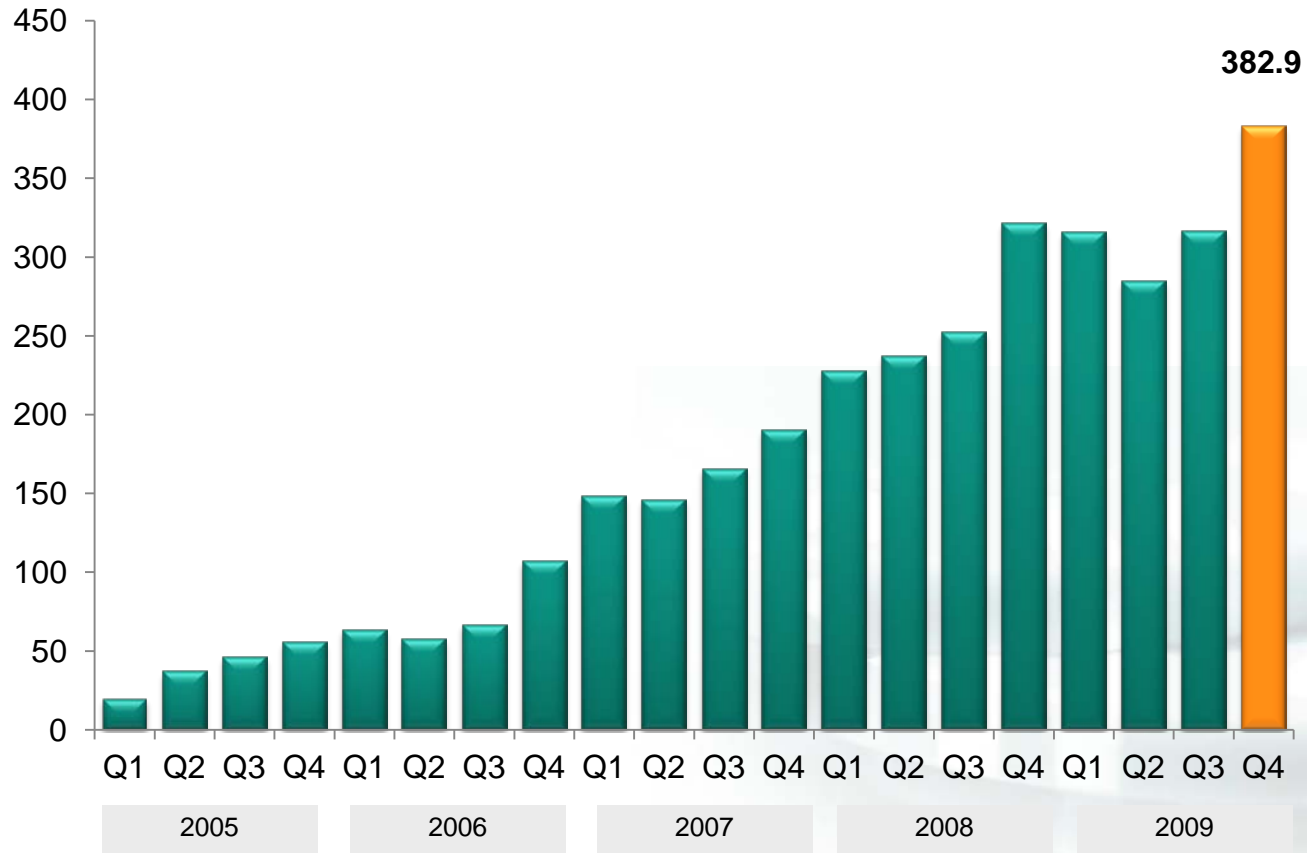
Full Year 2009

- Revenues increased 25% to SEK 1 299.7 M
(1037.8)
- Operating income increased 15% to SEK 316.9 M
(276.6)
- Income for the year increased 13% to SEK 303.3 M
(267.3), corresponding to SEK 7.73 *(6.81)* per share

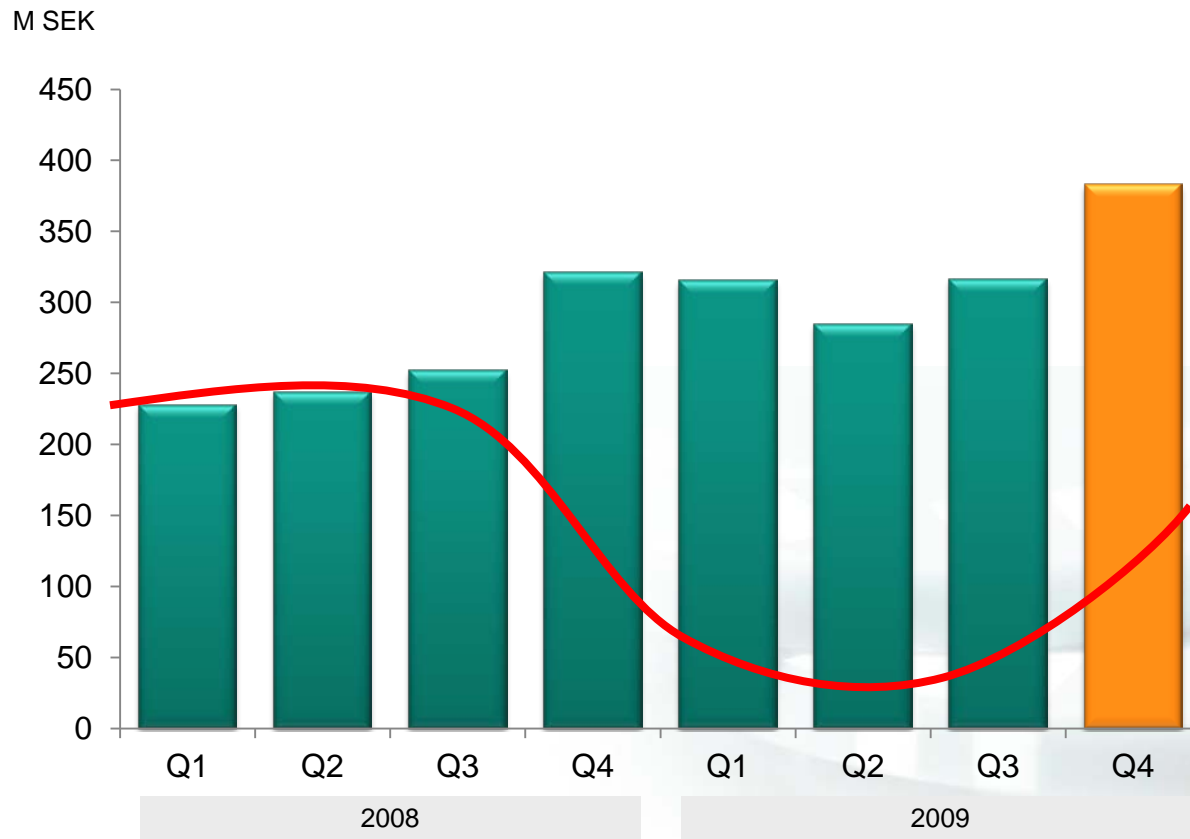
Numbers in gray = Full Year 2008

Revenues

M SEK



Resilience against the economic downturn



 Overall economic situation

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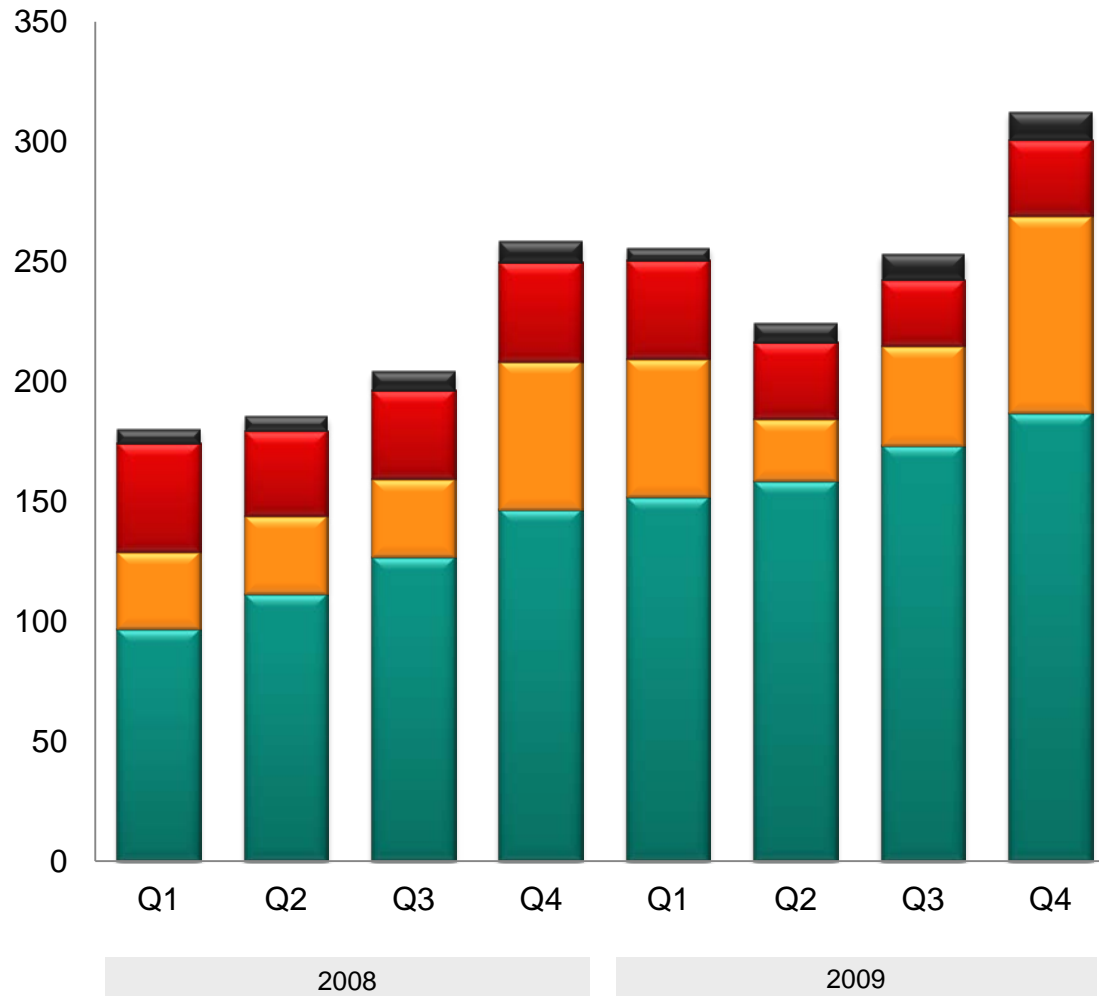
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Product and
geographical
split



Gross Profit per Product

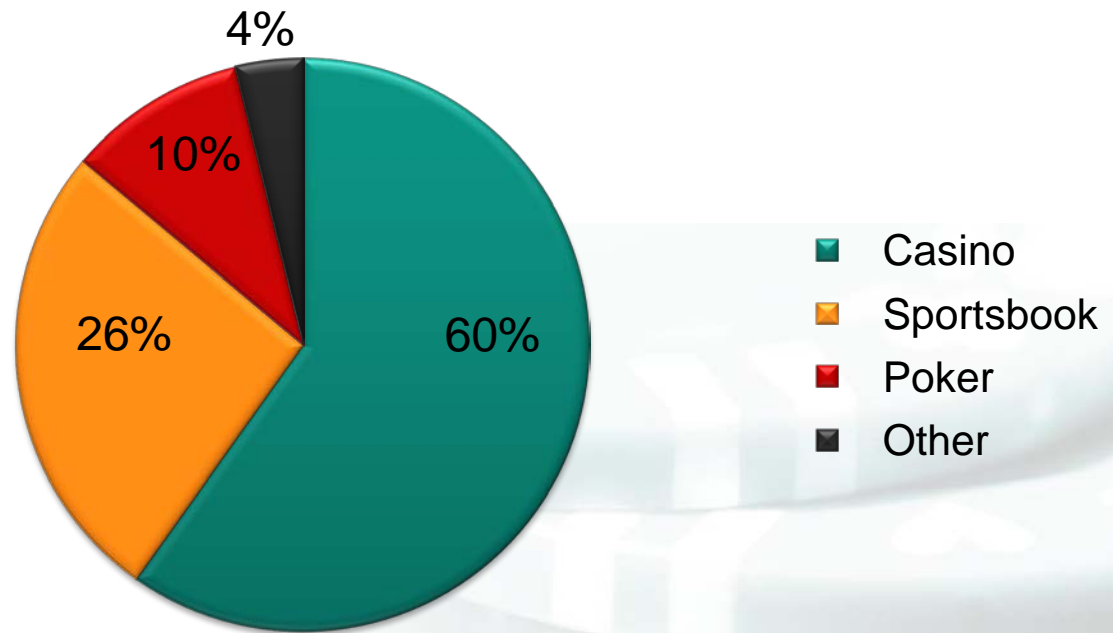
M SEK



Growth (%)

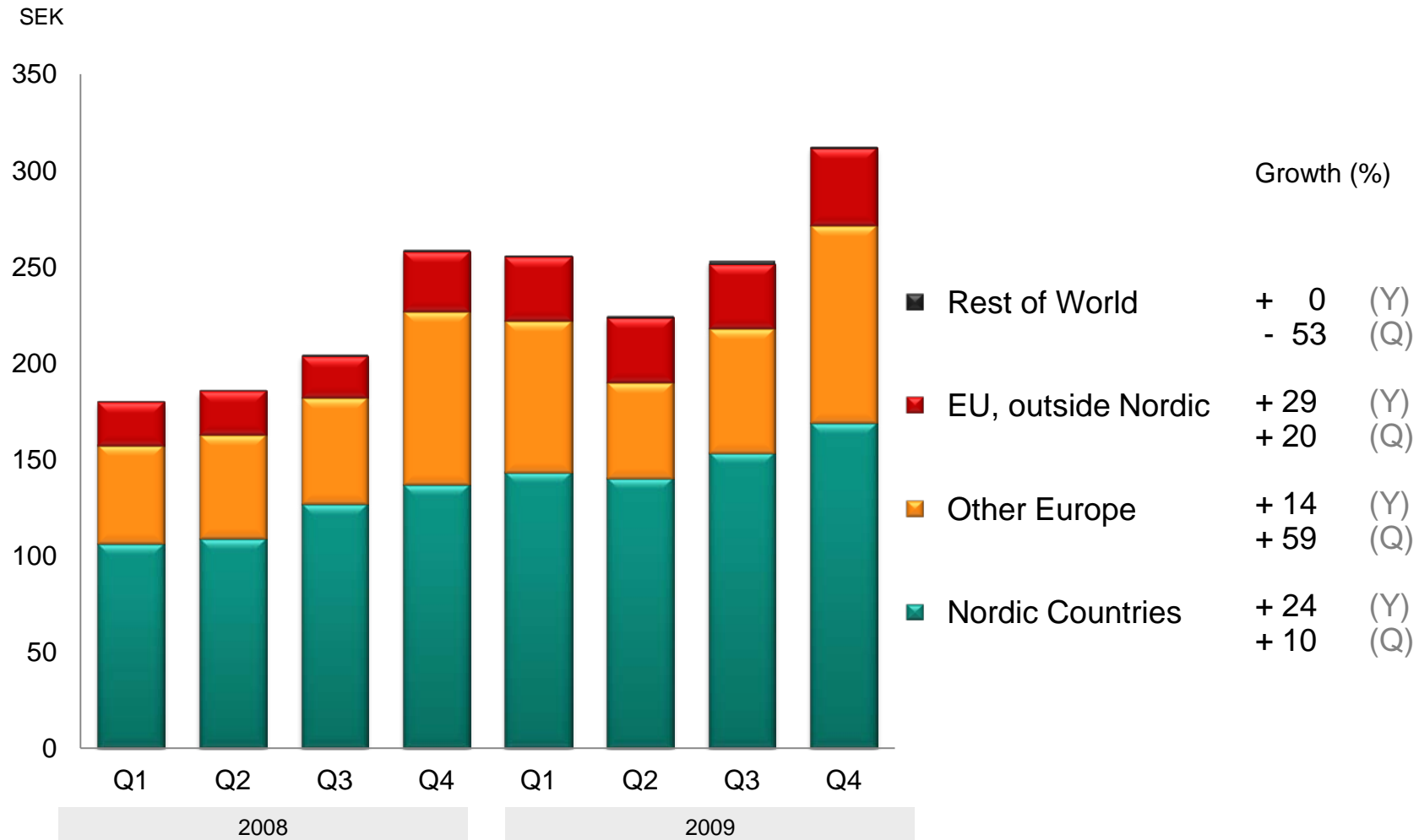
■ Other	+ 28 (Y)	+ 8 (Q)
■ Poker	- 24 (Y)	+ 15 (Q)
■ Sportsbook	+ 33 (Y)	+ 98 (Q)
■ Casino	+ 28 (Y)	+ 8 (Q)

Gross Profit per Product

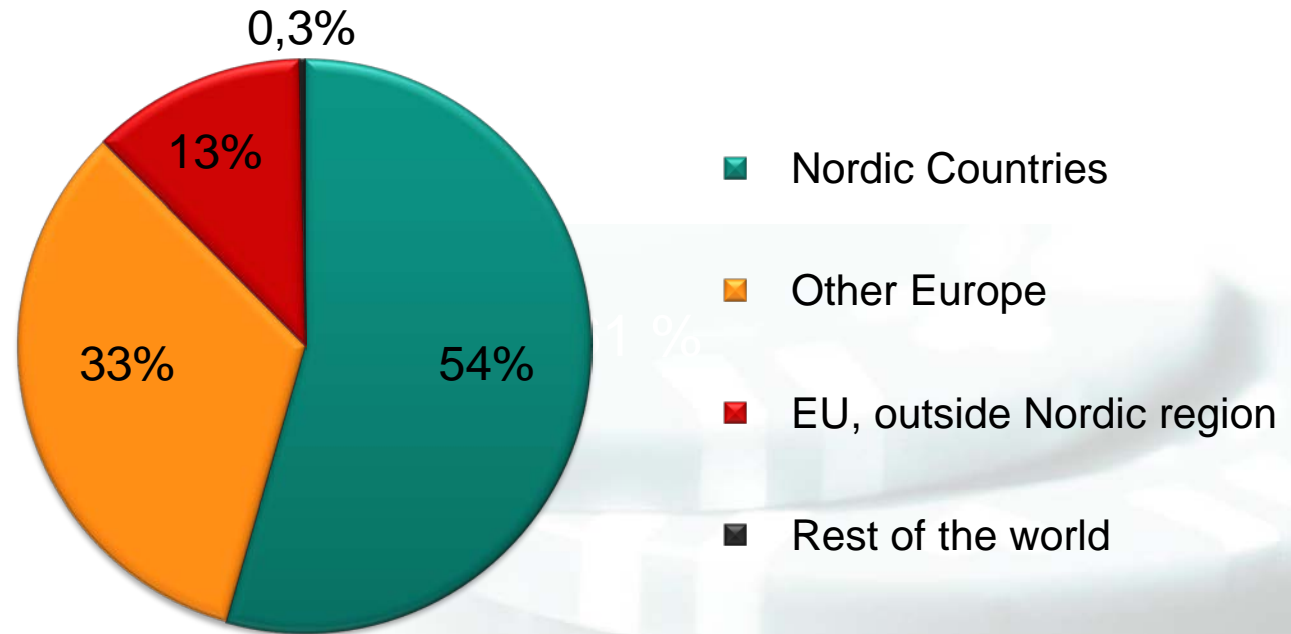


Q4 2009

Gross Profit per Geographical Area



Gross Profit per Geographical Area



Q4 2009

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Key Performance Indicators

SB Margins
Deposits

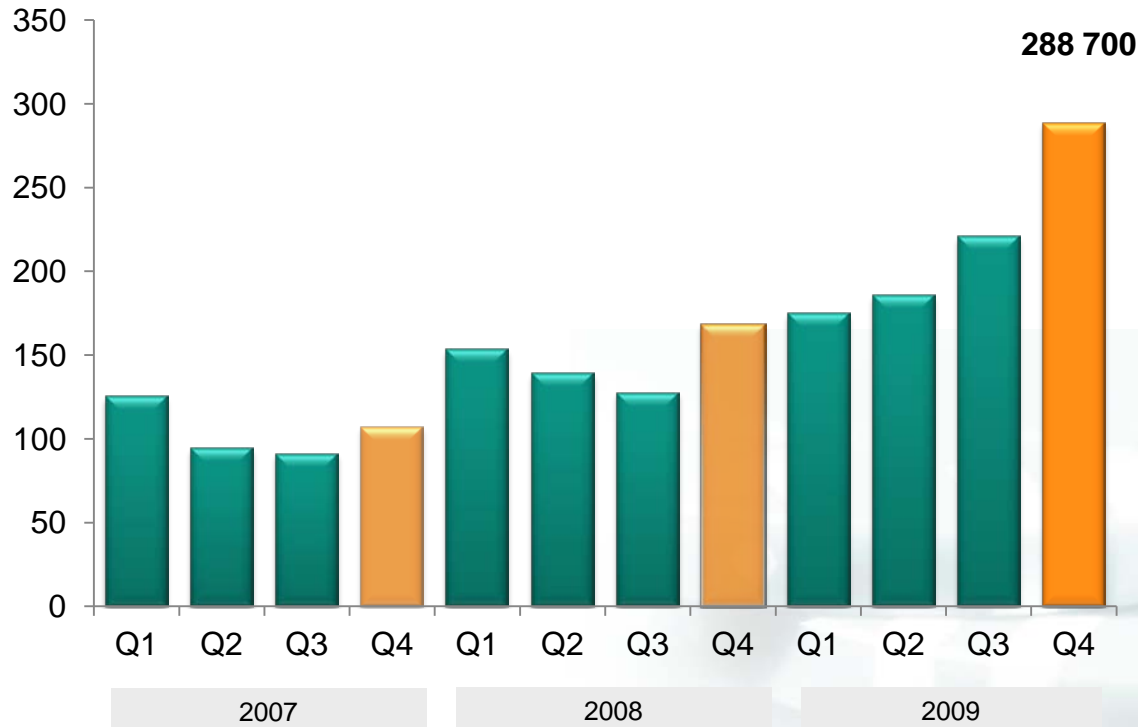


Growth indicators

	Growth Q4 2009	
	Y/Y	Q/Q
Active Customers	72%	31%
Registered Customers	41%	10%
Revenues	19%	21%
Customer Deposits	30%	11%
Gross Turnover SB	45%	19%

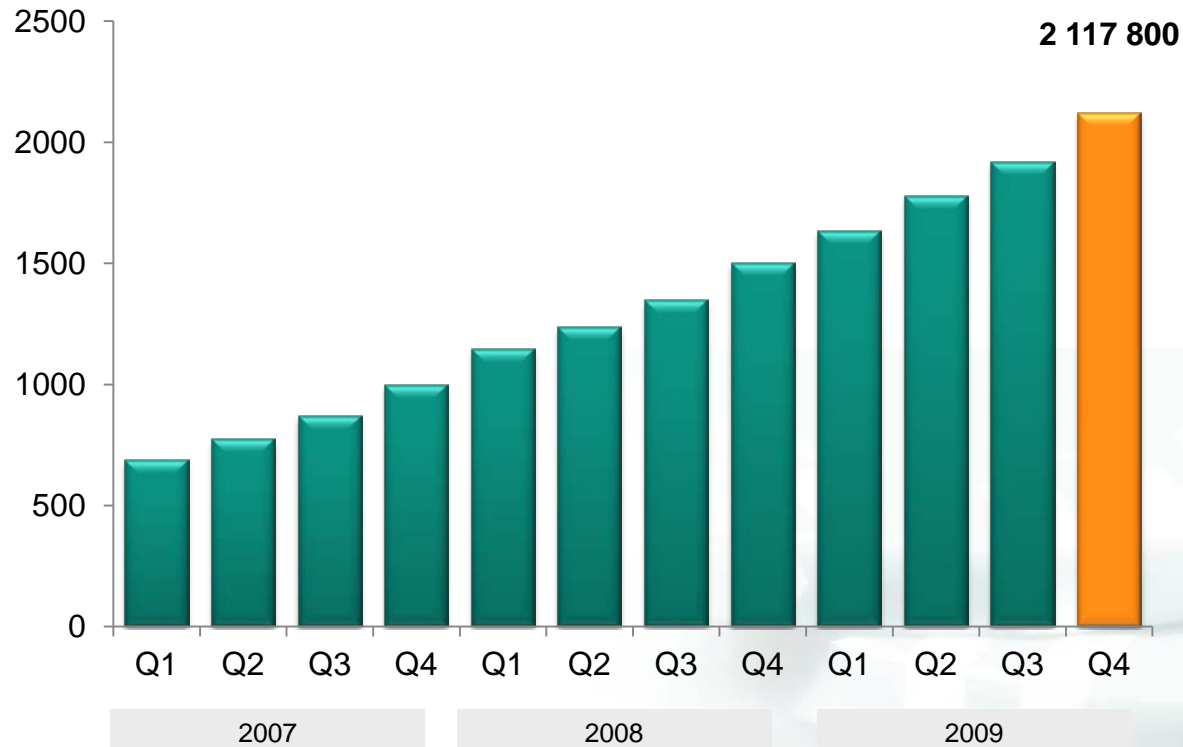
- Increase in active customers due to higher activity and different market activities. The measure active customers shall be seen in a longer perspective

Active customers



- + 72% compared to Q4 2008
- + 31% compared to Q3 2009

Registered customers



- + 41% compared to Q4 2008
- + 10% compared to Q3 2009

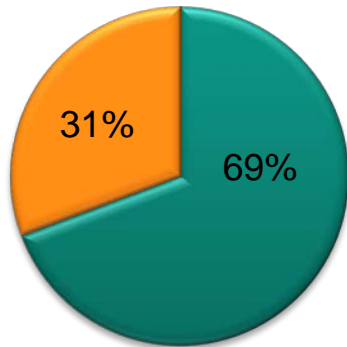
Sportsbook margins

	2009 Q4	2008 Q4	2009 Q3	2009 FY	2008 FY
Gross Turnover SB	755.3	520.9	634.9	2571.5	1567.1
Gross Margin SB¹	10.9%	11.8%	6.5%	8.0%	10.1%
Gross Profit	82.0	61.7	41.4	206.6	159.0

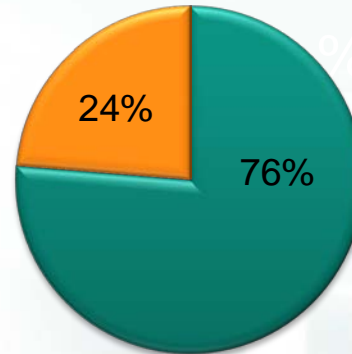
1) Margin after direct and allocated costs

Live betting increases

Q4 2009



Q4 2008



- Pre-match betting
- Live betting

Share of Gross Turnover in Sportsbook

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Legal



Legal



Regulation proposed to be implemented in April 2010

Time plan delayed, as expected, and still uncertainties about the final terms and conditions.



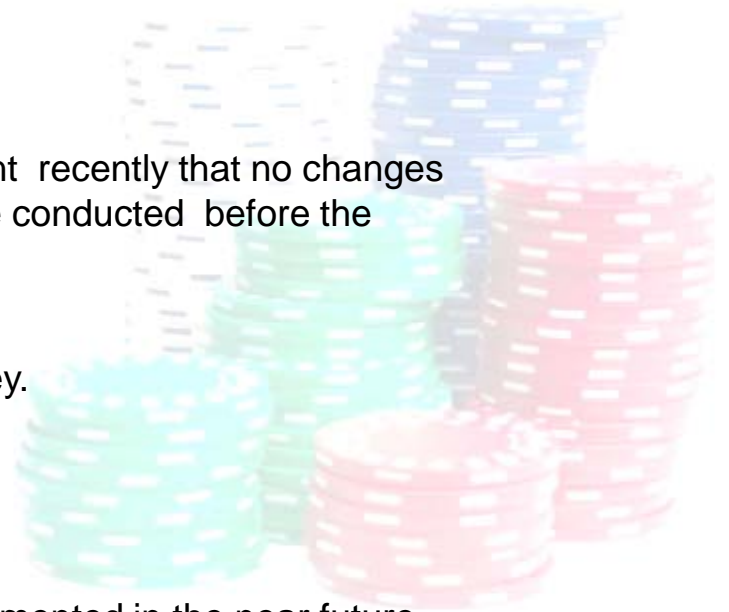
Government informed the parliament recently that no changes to existing gaming legislation will be conducted before the election in september 2010.



No news during the quarter in Turkey.



Payment ban discussed to be implemented in the near future.



Legal



Continued discussions about legalising internet gaming both on federal and state level.

California discusses legalization of Poker. Similar discussions in New Jersey and Florida.



Belgium plans a new legislation where existing land based casinos and other gaming establishments may get licensed. Those companies are allowed to cooperate with internet gaming companies.



Denmarks plans a new legislation as of January 1st , 2011 with no limitations in number of licensees. Allowed product offering is wide but does not include Bingo or Lottery tickets.



New legislation in place which does not discriminate foreign operators. Italy plans to also include poker cash game and casino products in the near future.

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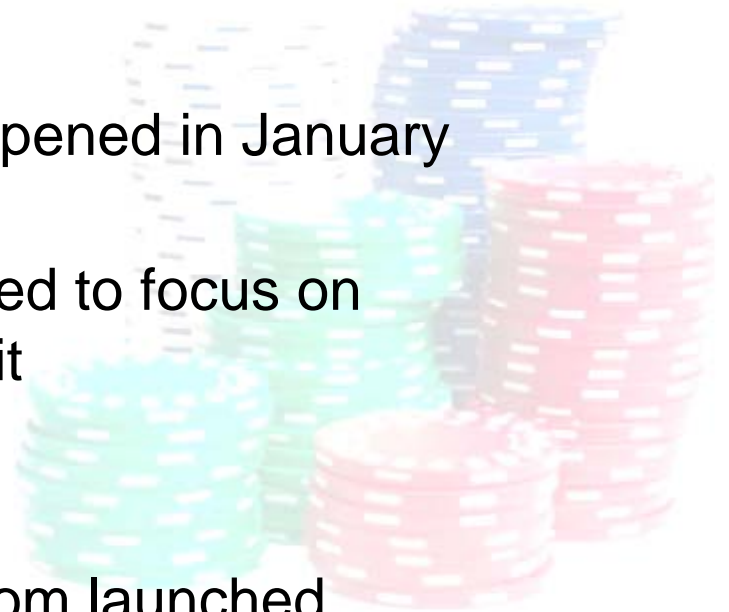
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Events after Q4



Events after the fourth quarter

- Revenues in January in line with average monthly revenue in fourth quarter
- Betsson Shop in Stockholm reopened in January
- Betsson Business entity launched to focus on co-operations with partners, visit betssonbusiness.com
- New version of CherryCasino.com launched



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CASINO | SPORTSBOOK | LIVE BETTING | POKER | SCRATCH CARDS | BINGO | GAMES

Betsson Business Solutions is a dedicated business area within the Betsson Group, acting as an independent B2B division for all our brands and products.



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- 2 deposit
- 3 play in style

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first deposit
bonus

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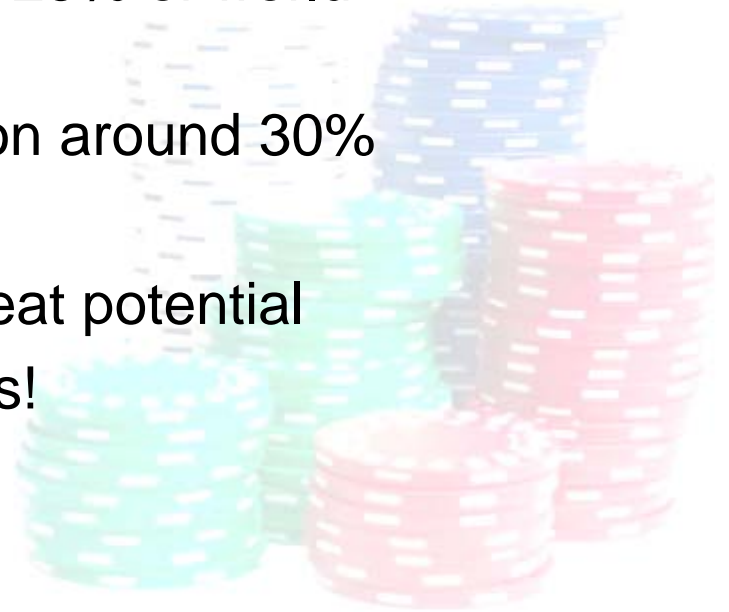
millions paid out
Cherry Casino simply a
better way to play

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High level outlook

- Internet penetration still on very strong growth
- Penetration 52% in Europe and 25% of world population
- European broadband penetration around 30%
- B2B-sector looks promising
- Markets outside of Europe – great potential
- All in all – plenty of opportunities!



Q&A



What's your thrill?