

## Interim report, 1 January – 30 June 2009

# Second quarter revenues rose by 20 percent

ALL FIGURES IN THIS REPORT ARE IN SEK. UNLESS OTHERWISE SPECIFIED THE FIGURES IN BRACKETS ARE THE CORRESPONDING FIGURES FOR THE PREVIOUS YEAR. THIS INFORMATION APPLIES TO THE GROUP UNLESS OTHERWISE SPECIFIED.

### Second quarter

- Revenues rose by 20 percent to SEK 284.6 (236.9) million
- Operating income increased by 2 percent to SEK 61.6 (60.1) million
- Income before tax increased by 1 percent to SEK 62.0 (61.4) million
- Income for the second quarter totalled SEK 58.9 (57.2) million corresponding to SEK 1.50 (1.46) per share, an increase by 3 percent
- During the quarter SEK 5.10 (5.00) per share have been transferred to the shareholders corresponding to a payout of SEK 200.1 (196.2) million
- Cash by the end of the quarter was SEK 287.9 (142.6) million and the group still has no interest-bearing liabilities
- Number of active customers increased by 33 percent compared with second quarter last year
- Betsson has signed an agreement concerning scratch tickets – launch in third quarter

### Interim period

- Revenues rose by 29 percent to SEK 600.1 (464.7) million
- Operating income increased by 23 percent to SEK 144.0 (116.9) million
- Income before tax increased by 22 percent to SEK 145.0 (118.9) million
- Income for the period amounted to SEK 137.7 (110.8) million, corresponding to SEK 3.51 (2.82) per share

### Key Performance Indicators

	Quarter 2009 Q2	2008 Q2	2009 Q1	Interim period 2009 Acc.	2008 Acc.
Revenues	284.6	236.9	315.5	600.1	464.7
Gross winnings	224.1	185.4	255.7	479.8	365.3
Operating income	61.6	60.1	82.4	144.0	116.9
Cash	287.9	142.6	335.7	287.9	142.6
Active customers(thousands)	185.3	139.0	174.6	185.3	139.0
Registered customers(thousands)	1 777.1	1 236.8	1 629.1	1 777.1	1 236.8
Customer deposits (MEUR)	72.6	55.1	67.2	139.8	106.0
Gross turnover Sportsbook	644.8	373.2	536.5	1 181.3	690.2
Margin after free bets, S.book	4.7%	9.8%	11.7%	7.9%	10.5%
Gross profit Sportsbook	25.8	32.5	57.4	83.2	64.8
Gross margin Sportsbook 1)	4.0%	8.7%	10.7%	7.0%	9.4%

1) Margin after allocated costs.

### High customer activity but low Sportsbook margins

"Betsson continues to gain market shares in tough international competition. During the second quarter the players in Betsson's Sportsbook won more than normal which had a negative impact on our income for the quarter. However, there is no marketing like happy customers. The activity and customer deposits have never been higher than in the second quarter, which indicate a continued good growth." says Pontus Lindwall, Betsson's President and CEO.

### Presentation of quarterly report

Today, Friday 24th July, at 09.00 CET, Betsson's CEO Pontus Lindwall will present the Interim Report throughout webcast at [www.betssonab.com](http://www.betssonab.com) or [www.financial.hearing.com](http://www.financial.hearing.com), Betsson and by telephone conference at +46 (0) 5051 3793 (Sweden) or +44 (0) 20 7806 1968 (UK), code 4133280. The presentation will be in English and will be followed by a question and answer session.

BETSSON AB'S OPERATIONS INVOLVE INVESTING IN AND MANAGING COMPANIES WHICH PROVIDE ONLINE GAMING SERVICES TO END-CUSTOMERS. BETSSON AB OWNS BETSSON MALTA WHICH OPERATES GAMING FOR THE END-CUSTOMERS VIA BETSSON.COM, CASINOEURO.COM AND CHERRYCASINO.COM. BETSSON MALTA OFFERS POKER, CASINO, SPORTSBOOK, LOTTERY, EXCHANGE, BINGO, GAMES AND FINANCIAL BETTING. CUSTOMERS ARE PRIMARILY FROM THE NORDIC REGION AND THE REST OF EUROPE. BETSSON AB IS LISTED ON OMX NASDAQ NORDIC MID CAP LIST, (BETS).

### *Second quarter*

Group revenue amounted to SEK 284.6 (236.9) million, corresponding to an increase of 20 percent. The gross profit was SEK 224.1 (185.4) million which is an increase of 21 percent. The operating income increased to SEK 61.6 (60.1) million and the operating margin was 21.6 (25.4) percent. Income before tax increased to SEK 62.0 (61.4) million and the income for the period was SEK 58.9 (57.2) million which is equivalent to SEK 1.50 (1.46) per share and an increase of 3 percent.

Betsson's overall market strategy aims to attract and activate as many customers as possible. Compared with the second quarter last year customers' deposits have increased with 32 percent, the number of active customers shows an increase of 33 percent and registered customers have increased by 44 percent. In addition, gross turnover in Sportsbook increased with 73 percent to SEK 644.8 (373.2) million. This higher gross turnover shows a strong improvement in Sportsbook's activity. However, the players in the Sportsbook have won considerable more than any comparable period. Consequently the increased activity in this product segment did not directly have a corresponding positive effect in the income statement for the second quarter. However, this growth is a fundament for a continued strong growth for the company.

During the quarter Betsson has signed a scratch ticket supply contract with online game supplier Neogames. Betsson will launch these scratch tickets during the third quarter on the site Betsson.com. During the second quarter Betsson also has, in co-operation with Nordic Entertainment Ltd, launched a white label based on Neogame's platform. Nordic Entertainment Ltd has created the concept, owns the trademarks and is responsible for management and marketing while Betsson owns the customers. These games are offered under the trademarks Svenskalotter.com and Norgesloddet.com. This business was launched 5th June and is progressing according to plan. By end of June 5000 persons had been active on these sites.

Betsson's marketing consists of traditional marketing and affiliate co-operations. These co-operations have contributed to the set up of a strong network, which market Betsson's websites. The marketing cost during the quarter amounts to SEK 86.1 (76.9) million, corresponding to an increase of 12 percent.

Personnel expenses amounts to SEK 39.3 (24.2) million corresponding to an increase of 62 percent on comparable figures last year and an increase of 22 percent on previous quarter. The reason for this increase is that the company need more employees with adequate competence to meet expected growth. More employees will also make it possible to lower the utilization of external subcontractors. The number of employees has increased with 40 persons during the year.

Other external expenses amounted to SEK 37.7 (27.7) million, corresponding to an increase of 36 percent on comparable figures last year and a decrease of 5 percent on previous quarter.

Betsson continuously invests in integrated payment and product solutions. Investments for the quarter totalled SEK 12.8 (15.9) million, of which SEK 12.5 (11.9) million were capitalised development costs. Depreciation for the quarter amounted to SEK 8.9 (4.9) million, of which SEK 7.3 (3.4) million was depreciation of capitalised development costs. According to an external investigation, published in eGaming Reveiw, the Hitwise Nielsen Online and Keynote charts, our website [www.betsson.com](http://www.betsson.com) had the best availability and performance compared with other online gaming sites in May. This is an acknowledgement that the investments made have contributed to a competitive advantage.

The profit for the quarter have been affected by SEK -3.0 (-3.5) million regarding revaluation of assets and liabilities to group currency. The corresponding effect during the first quarter was SEK 5.6 million.

During the quarter SEK 5.10 (5.00) per share has been transferred to the shareholders, which corresponds to a payout of SEK 200.1 (196.2) million.

### *Interim period January-June 2009*

Group revenue amounted to SEK 600.1(464.7) million, corresponding to an increase of 29 percent. The gross profit was SEK 479.8 (365.3) million which is an increase of 31 percent. The operating income increased to SEK 144.0 (116.9) million and the operating margin was 24.0 (25.2) percent. Income before tax increased to SEK 145.0 (118.9) million and the income for the period was SEK 137.7 (110.8) million which is equivalent to SEK 3.51 (2.82) per share and an increase of 24 percent.

### *Gaming operations*

Betsson offers, through its subsidiary on Malta, internet gaming to end customers on the global market via the gaming portals Betsson.com, CasinoEuro.com and CherryCasino.com.

### *Products*

Casino is Betsson's biggest product and accounted for 70.7 (60.0) percent of the total gross profit in the quarter followed by Poker with 14.2 (19.1) percent, Sportsbook with 11.5 (17.5) percent and other products that together accounted for 3.6 (3.3) percent.

The change in the product portfolio (gross profit) compared to the first quarter 2009 was as follows: Casino +4 percent, Poker -22 percent, Sportsbook -55 percent and Other Products +48 percent.

The Poker decrease is mainly explained by seasonal effects and the decrease in Sportsbook by low Sportsbook margins, explained by extraordinary high number of favourite winners. The gross turnover in Sportsbook was up by 20 percent during the quarter and the activity in the Sportsbook was higher than any other quarter. The turnover increase is impressive, since Sportsbook normally is weak in the second quarter.

### *Markets*

Betsson has its strongest footprint in the Nordic region, but has a strong growth throughout Europe. Betsson.com is now available in 18 languages, CasinoEuro.com is available in 16 languages and CherryCasino.com in 13 languages.

Regarding the quarter's gross profit, the Nordic countries accounted for 62.5 (58.7) percent, non-Nordic EU countries accounted for 14.9 (12.0) percent while the rest of Europe (including Turkey) accounted for 22.2 (29.1) percent. During the quarter, growth in the Nordic region was -2 percent, non-Nordic EU was 2 percent and the Rest of Europe (including Turkey) -37 percent compared with previous quarter. Betsson's geographic market Rest of the World does not yet generate any tangible revenue.

### *Customers*

At the end of the quarter, the number of registered customers totalled 1 777 084 which is a 9 percent increase compared with the previous quarter and 44 percent higher than the comparable figure last year.

During the quarter active customers amounted to 185 321, which is an increase of 6 percent from the previous quarter and 33 percent higher than comparable figure last year.

An active customer is defined as a customer who has played for money in the last three months.

Betsson's goal is to continue growing by attracting more customers. Betsson actively performs marketing through various media and through partnerships. The company also has an attractive product portfolio and a loyalty programme to retain existing customers and to attract new ones.

### *Equity*

The group's equity on the balance sheet date was SEK 657.8 (534.4) million, which is equivalent to SEK 16.75 (13.61) per share. During the quarter SEK 5.10 (5.00) per share has been transferred to the shareholders, which corresponds to a payout of SEK 200.1 (196.2) million. Equity has correspondingly been reduced.

Return on equity during the quarter was 20 (19) percent.

### *Cash, cash flow and gaming liabilities*

Cash flow for the period amounted to SEK -87.2 (-88.7) million, of which cash flow from operating activities totalled SEK 145.4 (145.9) million. Change in working capital amounts to SEK -1.9 (20.8) million. In addition cash flow has been affected by tax payments of SEK 12.5 (5.1) million.

Cash and cash equivalents at the end of the quarter amounted to SEK 287.9 (142.6) million. Gaming liabilities including reserves for accumulated jackpots was SEK 151.5 million on the balance sheet date. The group's current receivables from payment providers for unsettled customer payments amounted to SEK 136.3 million.

### *Personnel*

A total of 225 (167) people were employed by the end of second quarter. During the period the number of employees has increased by 40 persons. The average number of employees during the interim period was 197 (145) in the group, of which 146 (106) were based in Malta.

### *Parent Company*

The operations of the parent company, Betsson AB (publ), are primarily directed towards Group

administration. The company provides and sells internal services to other group companies in the areas of finance, accounting, administration and management.

Revenues in the parent company for the quarter totalled SEK 5.4 (4.4) million and the income after financial items was SEK -0.8 (-10.8) million.

The Parent Company's investments during the quarter totalled SEK 0.2 (0.7) million. Cash on the balance sheet date totalled SEK 189.0 (12.7) million.

### *Ownership structure*

The company's B-share is listed on Nasdaq OMX Nordic Mid Cap List, (BETS). The company had 7 826 (6 403) shareholders at the end of the period. The largest owners (with more than 10 percent of the outstanding votes or capital) were Per Hamberg with 9.0 percent of the capital and 21.4 percent of the votes, Rolf Lundström with 3.9 percent of the capital and 10.4 percent of the votes, Knutsson family with 6.5 of the capital and 11.1 percent of the votes and JP Morgan Chase Bank with 11.1 percent of the capital and 5.0 percent of the votes.

### *Betting Shop in Stockholm*

In May 2008 Betsson opened the doors to a shop in Sweden. The betting shop is unique in Sweden and constitutes a completely new modern concept. The Swedish Gaming Board's view has been that the shop's operations were in conflict with the Swedish Gaming Act and requested the store to cease its supporting of online gaming under the threat of a fine. Betsson(Shopsson) appealed the decision to the County Administrative Court. The court rejected the appeal. In the company's view this was in conflict with applicable EC law. Betsson subsequently appealed against the court's ruling to the Administrative Court of Appeal. In January 2009 the Administrative Court of Appeal granted a review dispensation and approved Betsson's appeal for suspension, which effectively reverses the ruling of the County Administrative Court. This should be viewed as a success. The Administrative Court of Appeal's final ruling is expected in the later part of 2009. Meanwhile the company is developing the store concept in accordance with the customer's demands.

### *Repurchase of shares*

Betsson holds own shares amounting to 310 00 B-shares, acquired at an average rate of SEK 58.27. The number of outstanding shares excluding repurchased shares amounted to

39 243 720, of which 5 420 000 were A-shares and 33 823 720 were B-shares.

### *Events after the second quarter*

July is normally a weak seasonal month with limited offering of sport events. However, revenue in the beginning of the third quarter is somewhat higher than the average second quarter revenues.

There have been no other key events after the end of the interim period.

### *Accounting principles*

Betsson applies the International Financial Reporting Standards (IFRS) as adopted by the EU. This interim report has been prepared in accordance with IAS 34. Interim Financial Reporting. The Parent Company applies the same standards as the Group, except that the Parent Company's accounts are drawn up in accordance with RFR 2.2 Reporting for Juridical Persons.

The revenue as presented by Betsson is the result that emerges from the transactions with the end customer i.e. the customers. The gross profits (gaming surplus) represent the result that emerges after the transactions with a third party, i.e. gaming suppliers and payment providers.

The gross profit from the Group's gaming operations is composed of the net of received gaming wagers and paid winnings, minus gaming taxes, license fees to game suppliers, and the net of income and expenses for bank and credit card payment services for depositing gaming wagers and paying winnings. Bonus to players and loyalty scheme do not affect the Group's gross margin.

To reduce risk, Betsson has started to hedge future cash flows as of 1st January, 2009. These hedges are valued to true value and the changes will over time be accounted for as other operating expenses in the income statement.

In other respects the accounting principles remain unchanged from the year-end accounting 2008. Further information on the Group's accounting and valuation principles can be found in note 2 of the Annual Report 2008, which is available at the company's website or from our head office.

### *Risks and uncertainties*

There have been no significant changes regarding the risks and uncertainties to which Betsson is exposed since the publication of the previous report and Annual Report. There is continued pressure on countries in the EU to bring their domestic legislations in line with applicable EC law, with unrestricted mobility for goods and services. A number of countries have reported that they are working on a new legislation which is compatible with EU requirements. It is still uncertain when such legislation will be introduced in Betsson's main markets, but when it happens it will give Betsson increased possibilities for marketing and presence on these markets.

During 2007 Turkey introduced new legislation towards online gaming. The purpose of the law was to protect the state-run gaming company IDDAA. According to legal experts, the law is in breach of EU law and less conformable with the association agreement between EU and Turkey. The purpose of the agreement is to regulate Turkey's possible entry into the EU. The Turkish law aggravates Betssons' possibilities for operating in the Turkish market.

Norway has expressed intentions to ban online gaming. Betsson's view is that the proposed law is difficult to implement. If the law is adopted and comes into effect it would most likely affect Betsson negatively in the short term. Norway is one of Betsson's three largest markets.

In Sweden, a public inquiry on gaming was presented in December 2008, preceding a new gaming legislation. This proposed new legislation has met hard criticism in the comments in the closed submittance to interested parties. Betsson's view is that the law would be in conflict with EC law and that it will not be introduced in its proposed form.

Betssons ambition is to increase Sportsbook activity, which may lead to higher volatility in group revenues.

A description of other risks and uncertainties can be found in the Annual Report 2008.

### *Transactions with related parties*

No transactions between Betsson and related parties which significantly affect the Betsson's financial position and profit for the year have been performed.

### *Outlook for 2009*

Betsson expects that the market for Internet gaming will continue to grow strongly.

A considerable part of the world citizens still do not have access to the Internet. The number of Internet users is growing rapidly, which is a fundamental driver for the business.

The confidence for Internet and e-commerce increases as more people use Internet to perform their banking and stock market transactions, insurance business and regular purchasing of physical products. This increased confidence is important for e-commerce, especially in countries where the trust for e-commerce has been low. This development is a fundamental driving force for the online gaming business.

According to Global Betting and Gaming Consultants, the online gaming market is expected to grow by 14 percent to USD 20 billion in the current year. Betsson aims to grow faster than the market.

High customer deposits and high activity, indicates continued healthy growth.

### *Next financial report*

The third quarter interim report will be published 4<sup>th</sup> November 2009.

The Annual Report is available at Betsson's website [www.betssonab.com](http://www.betssonab.com).

### *Annual General Meeting 2009*

The Annual General Meeting of Betsson AB was held on Tuesday 12th May 2009.

The AGM re-elected the board. The AGM also decided about the execution of the proposed redemption process. Further information concerning the AGM is available at [www.betssonab.com](http://www.betssonab.com).

### *Presentation of the Interim Report*

Today, Friday 24th July at 09.00 CET, Betsson's CEO Pontus Lindwall will present the Interim Report by webcast at [www.betssonab.com](http://www.betssonab.com) under Financial information or [www.financialhearings.com](http://www.financialhearings.com), Betsson and by phone at +46 (0) 5051 3793 (Sweden) or +44 (0) 207806 1968 (UK), code 4133280. The presentation will be held in English and will be followed by a question and answer session.

A copy of the presentation will be available at [www.betssonab.com](http://www.betssonab.com) on Friday 24th July.

### *Assurance*

The Board and CEO herewith state that this interim report provides a true and fair picture of the activities, financial position and results of the parent company and the Group, as well as describing significant risks and uncertainty factors to which the parent company and the companies belonging to the Group are exposed.

Stockholm 24th July 2009

John Wattin  
Chairman

Per Hamberg  
Director

Carl Lewenhaupt  
Director

Lars Linder-Aronson  
Director

Patrick Svensk  
Director

Kicki Wallje-Lund  
Director

Pontus Lindwall  
President and CEO

Betsson AB (Publ),  
Regeringsgatan 30-32,  
SE-111 53 Stockholm, Sweden  
Registered office: Stockholm,  
Corporate identity Number 556090-4251

For further information, please contact  
Pontus Lindwall, President and CEO,  
Phone +46 (0)8 506 403 10, +46 (0)708 27 51 55,  
[pontus@betsson.com](mailto:pontus@betsson.com) or Fredrik Rüdén, CFO,  
Phone+46 733 117 262, +46 8 506 403 63,  
[fredrik.ruden@betsson.com](mailto:fredrik.ruden@betsson.com).

The information in this Interim Report is information which Betsson AB (Publ) shall publish in accordance with the law regarding securities and /or the law of trading with financial instruments. The information was delivered for publication 24th July 2009, 07:30 CET.

### *Audit report*

This report has not been subject to special audit by the company's auditors.

This document is a translation of the Swedish original.

<b>Consolidated income statements (MSEK)</b>	<b>Quarter 2 2009</b>	<b>Quarter 2 2008</b>	<b>Jan-June 2009</b>	<b>Jan-June 2008</b>	<b>FY 2008</b>
<b>Revenues</b>	<b>284.6</b>	<b>236.9</b>	<b>600.1</b>	<b>464.7</b>	<b>1 037.8</b>
Operating expenses from gaming activities	-60.5	-51.5	-120.3	-99.4	-209.7
<b>Gross Profit</b>	<b>224.1</b>	<b>185.4</b>	<b>479.8</b>	<b>365.3</b>	<b>828.1</b>
Marketing expenses	-86.1	-76.9	-199.2	-157.5	-347.8
Personnel expenses	-39.3	-24.2	-71.6	-45.5	-101.7
Other external expenses	-37.7	-27.7	-77.4	-53.5	-109.8
Capitalized development costs	12.5	11.9	26.2	22.5	44.0
Depreciation	-8.9	-4.9	-16.4	-8.7	-20.6
Other operating expenses	-3.0	-3.5	2.6	-5.7	-15.6
Operating expenses	-162.5	-125.3	-335.8	-248.4	-551.5
<b>Operating income</b>	<b>61.6</b>	<b>60.1</b>	<b>144.0</b>	<b>116.9</b>	<b>276.6</b>
Financial items, net	0.4	1.3	1.0	2.0	4.1
<b>Income before tax</b>	<b>62.0</b>	<b>61.4</b>	<b>145.0</b>	<b>118.9</b>	<b>280.7</b>
Tax	-3.1	-4.2	-7.3	-8.1	-13.4
<b>Income for the period</b>	<b>58.9</b>	<b>57.2</b>	<b>137.7</b>	<b>110.8</b>	<b>267.3</b>
Earnings per share before dilution (SEK)	1.50	1.46	3.51	2.82	6.81
Earnings per share after dilution (SEK)	1.50	1.46	3.51	2.82	6.81
Operating margin (percent of Revenues)	21.6	25.4	24.0	25.2	26.7
Operating margin (percent of Gross Profit)	27.5	32.4	30.0	32.0	33.4
Profit margin (percent)	21.8	25.9	24.2	25.6	27.0
Average number of outstanding shares (millions)	39.2	39.2	39.2	39.3	39.3
Number of outstanding shares at end of period (millions)	39.2	39.2	39.2	39.2	39.2
Return on equity (percent)			20	19	40
Return on total capital (percent)			13	14	28
Return on capital employed (percent)			21	21	42

<b>Consolidated comprehensive income statements (MSEK)</b>	<b>Quarter 2 2009</b>	<b>Quarter 2 2008</b>	<b>Jan-June 2009</b>	<b>Jan-June 2008</b>	<b>FY 2008</b>
<b>Income for the period</b>	<b>58.9</b>	<b>57.2</b>	<b>137.7</b>	<b>110.8</b>	<b>267.3</b>
<b>Other comprehensive income</b>					
Exchange differences on translating foreign operations	0.1	1.7	0.2	1.4	29.2
<b>Other comprehensive income of the period (after tax)</b>	<b>0.1</b>	<b>1.7</b>	<b>0.2</b>	<b>1.4</b>	<b>29.2</b>
<b>Total comprehensive income for the period</b>	<b>59.0</b>	<b>58.9</b>	<b>137.9</b>	<b>112.2</b>	<b>296.5</b>

<b>Consolidated balance sheet (MSEK)</b>	<b>2009-06-30</b>	<b>2008-06-30</b>	<b>2008-12-31</b>
Intangible assets	459.1	420.2	441.7
Tangible fixed assets	17.2	17.9	18.5
Other long-term receivables	-	1.4	0.0
Deferred tax receivables	2.4	1.0	2.4
<b>Total non-current assets</b>	<b>478.7</b>	<b>440.5</b>	<b>462.6</b>
Current receivables	319.7	255.7	312.6
Cash and liquid assets	287.9	142.6	373.2
<b>Total current assets</b>	<b>607.6</b>	<b>398.3</b>	<b>685.8</b>
<b>Total assets</b>	<b>1 086.3</b>	<b>838.8</b>	<b>1 148.4</b>
Equity	657.8	534.4	720.2
Deferred tax liabilities	4.3	0.2	4.3
<b>Total non-current liabilities</b>	<b>4.3</b>	<b>0.2</b>	<b>4.3</b>
Current interest bearing liabilities	0.0	0.0	0.0
Other current liabilities	424.2	304.2	423.9
<b>Total current liabilities</b>	<b>424.2</b>	<b>304.2</b>	<b>423.9</b>
<b>Total equity and liabilities</b>	<b>1 086.3</b>	<b>838.8</b>	<b>1 148.4</b>

  

<b>Consolidated cash flow statements (MSEK)</b>	<b>Jan-June 2009</b>	<b>Jan-June 2008</b>	<b>FY 2008</b>
Income after financial items	145.0	118.9	280.7
Adjustments for non-cash items	14.7	11.3	27.7
Taxes paid	-12.4	-5.1	-2.0
Cash flows from operating activities before changes in working capital	147.3	125.1	306.4
Changes in working capital	-1.9	20.8	77.9
<b>Cash flows from operating activities</b>	<b>145.4</b>	<b>145.9</b>	<b>384.3</b>
Investments	-32.3	-32.3	-67.8
Change in long-term receivables	-	-1.1	0.3
<b>Cash flows from investing activities</b>	<b>-32.3</b>	<b>-33.4</b>	<b>-67.5</b>
Redemption of shares	-200.1	-196.2	-196.2
Cost of Share Redemption Program	-0.2	-1.1	-1.1
Acquisition of own shares	-	-3.9	-3.9
Premiums received for issued share option rights	-	-	1.5
<b>Cash flows from financing activities</b>	<b>-200.3</b>	<b>-201.2</b>	<b>-199.7</b>
<b>Changes to cash and liquid assets</b>	<b>-87.2</b>	<b>-88.7</b>	<b>117.1</b>
Cash and liquid assets at beginning of period	373.2	232.7	232.7
Exchange rate differences	1.9	-1.4	23.4
<b>Cash and liquid assets at end of period</b>	<b>287.9</b>	<b>142.6</b>	<b>373.2</b>



<b>Change in group equity (MSEK)</b>	<b>Jan-June 2009</b>	<b>Jan-June 2008</b>	<b>FY 2008</b>
<b>Opening balance</b>	<b>720.2</b>	<b>623.5</b>	<b>623.5</b>
Total comprehensive income for the period	137.9	112.2	296.5
<b>Total change, excluding transactions against company owners</b>	<b>137.9</b>	<b>112.2</b>	<b>296.5</b>
Share Redemption	-200.1	-196.2	-196.2
Cost of Share Redemption Program after tax	-0.2	-1.2	-1.2
Premiums received for issued share option rights	-	-	1.5
Acquisition of own shares	-	-3.9	-3.9
<b>Equity at end of period</b>	<b>657.8</b>	<b>534.4</b>	<b>720.2</b>
<b>Attributable to:</b>			
Parent company's shareholders	657.4	534.0	719.8
Minority Interest	0.4	0.4	0.4
Total equity	657.8	534.4	720.2

<b>Parent Company Income Statement (MSEK)</b>	<b>Jan-June 2009</b>	<b>Jan-June 2008</b>	<b>FY 2008</b>
<b>Revenues</b>	<b>5.4</b>	<b>4.4</b>	<b>10.9</b>
Operating expenses	-7.2	-16.8	-29.0
<b>Operating Income</b>	<b>-1.8</b>	<b>-12.4</b>	<b>-18.1</b>
Financial items	1.0	1.6	407.4
<b>Income after financial items</b>	<b>-0.8</b>	<b>-10.8</b>	<b>389.3</b>
Appropriations	-	-	-
<b>Income before tax</b>	<b>-0.8</b>	<b>-10.8</b>	<b>389.3</b>
Tax	0.2	3.0	4.0
<b>Income for the period</b>	<b>-0.6</b>	<b>-7.8</b>	<b>393.3</b>

<b>Parent Company Balance sheet (MSEK)</b>	<b>2009-06-30</b>	<b>2008-06-30</b>	<b>2008-12-31</b>
Tangible fixed assets	3.0	3.3	3.2
Financial assets	585.8	588.6	585.8
Total non-current assets	588.8	591.9	589.0
Current receivables	81.4	76.5	303.2
Cash and liquid assets	189.0	12.7	147.9
Total current assets	270.4	89.2	451.1
<b>Total assets</b>	<b>859.2</b>	<b>681.1</b>	<b>1 040.1</b>
Restricted equity	332.4	585.6	332.4
Unrestricted equity	465.9	7.0	666.9
Total equity	798.3	592.6	999.3
Untaxed reserves	0.4	0.4	0.4
Current liabilities	60.5	88.1	40.4
<b>Total equity and liabilities</b>	<b>859.2</b>	<b>681.1</b>	<b>1 040.1</b>

## Group Review

<b>Consolidated income statements (MSEK)</b> (continuing operations)	2005 FY	2006 FY	2007 FY	2008 FY	2008 Q1	2008 Q2	2008 Q3	2008 Q4	2009 Q1	2009 Q2
<b>Revenues</b>	157.1	293.6	649.0	1 037.8	227.8	236.9	252.0	321.1	315.5	284.6
Operating expenses from gaming activities	-37.5	-61.4	-128.2	-209.7	-47.9	-51.5	-47.8	-62.5	-59.8	-60.5
<b>Gross Profit</b>	119.6	232.2	520.8	828.1	179.9	185.4	204.2	258.6	255.7	224.1
Marketing expenses	-45.6	-106.3	-189.1	-347.8	-80.6	-76.9	-83.7	-106.6	-113.1	-86.1
Personnel expenses	-17.1	-46.5	-62.4	-101.7	-21.3	-24.2	-25.4	-30.8	-32.3	-39.3
Other external expenses	-49.1	-59.2	-91.2	-109.8	-25.8	-27.7	-26.9	-29.4	-39.7	-37.7
Capitalized development costs	4.8	12.1	26.9	44.0	10.6	11.9	8.6	12.9	13.7	12.5
Depreciation	-7.0	-11.5	-12.3	-20.6	-3.8	-4.9	-5.5	-6.4	-7.5	-8.9
Other operating expenses	-0.9	-1.9	-2.8	-15.6	-2.2	-3.5	-3.5	-6.4	5.6	-3.0
Operating expenses	-114.9	-213.3	-330.9	-551.5	123.1	-125.3	-136.4	-166.7	-173.3	-162.5
<b>Operating income</b>	4.7	18.9	189.9	276.6	56.8	60.1	67.8	91.9	82.4	61.6
Financial items, net	137.1	-1.1	2.8	4.1	0.7	1.3	0.4	1.7	0.6	0.4
<b>Income before tax</b>	141.8	17.8	192.7	280.7	57.5	61.4	68.2	93.6	83.0	62.0
Tax	0.1	14.2	-13.3	-13.4	-3.9	-4.2	-4.6	-0.7	-4.2	-3.1
<b>Income for the period (continuing operations)</b>	141.9	32.0	179.4	267.3	53.6	57.2	63.6	92.9	78.8	58.9
<b>Consolidated balance sheet (MSEK)</b>	2005 FY	2006 FY	2007 FY	2008 FY	2008 Q1	2008 Q2	2008 Q3	2008 Q4	2009 Q1	2009 Q2
Non-current assets	424.8	430.8	415.7	462.6	429.5	440.5	446.2	462.6	474.6	478.7
Current assets	148.6	147.2	427.9	685.8	513.3	398.3	503.6	685.8	802.3	607.6
<b>Total assets</b>	573.4	578.0	843.6	1 148.4	942.8	838.8	949.8	1 148.4	1 276.9	1 086.3
Equity	474.1	479.0	623.5	720.2	672.8	534.4	605.9	720.2	798.9	657.8
Non-current liabilities	24.1	25.2	0.2	4.3	0.2	0.2	1.6	4.3	4.3	4.3
Current liabilities	75.2	73.8	219.9	423.9	269.8	304.2	342.3	423.9	473.7	424.2
<b>Total equity and liabilities</b>	573.4	578.0	843.6	1 148.4	942.8	838.8	949.8	1 148.4	1 276.9	1 086.3
<b>Consolidated cash flow statements (MSEK)</b> (continuing operations)	2005 FY	2006 FY	2007 FY	2008 FY	2008 Q1	2008 Q2	2008 Q3	2008 Q4	2009 Q1	2009 Q2
Operating cash flow	57.9	15.6	239.3	384.3	67.3	78.7	77.4	160.9	80.4	65.0
Cash flow from investing activities	-2.9	-15.7	-36.8	-67.5	-17.6	-15.8	-13.0	-21.1	-19.5	-12.8
Cash flow from financing activities	-4.5	-29.1	-37.9	-199.7	-3.9	-197.3	0.0	1.5	0.0	-200.3
<b>Totals</b>	50.5	-29.2	164.6	117.1	45.8	-134.4	64.4	141.3	60.9	-148.1

## Group Review

Key Ratios (Continuing operations)	2005 FY	2006 FY	2007 FY	2008 FY	2008 Q1	2008 Q2	2008 Q3	2008 Q4	2009 Q1	2009 Q2
Quarterly top-line growth (%)					20	4	6	27	-2	-10
Growth compared to same period last year (%)		87	121	60	54	63	52	69	38	20
Gross Margin (percent of Revenues)	76.1	79.1	80.2	79.8	79.0	78.3	81.0	80.5	81.0	78.7
EBITDA-margin (percent of Revenues)	7.4	10.4	31.2	28.6	26.6	27.4	29.1	30.6	28.5	24.8
EBITDA-margin (percent of Gross Profit)	9.8	13.1	38.8	35.9	33.7	35.1	35.9	38.0	35.2	31.5
EBIT-margin (percent of Revenues)	3.0	6.4	29.3	26.7	24.9	25.4	26.9	28.6	26.1	21.6
EBIT-margin (percent of Gross Profit)	3.9	8.1	36.5	33.4	31.6	32.4	33.2	35.5	32.2	27.5
Profit margin (percent of Revenues)	90.3	6.1	29.7	27.0	25.2	25.9	27.1	29.1	26.3	21.8
Profit margin (percent of Gross Profit)	118.6	7.7	37.0	33.9	32.0	33.1	33.4	36.2	32.5	27.7
Marketing expenses (percent of Revenues)	29.0	36.2	29.1	33.5	35.4	32.5	33.2	33.2	35.8	30.3
Marketing expenses (percent of Gross Profit)	38.1	45.8	36.3	42.0	44.8	41.5	41.0	41.2	44.2	38.4
Earnings per share (SEK)	3.93	0.82	4.55	6.81	1.36	1.46	1.62	2.37	2.01	1.50
Operating cash flow per share (SEK)	1.60	0.40	6.06	9.79	1.71	2.01	1.97	4.10	2.05	1.66
Equity per share (SEK)	12.38	12.41	15.85	18.34	17.13	13.61	15.43	18.34	20.35	16.75
Executed dividend/redemption per share (SEK)	-	-	0.50	5.00	-	5.00	-	-	-	5.10
Average share price (SEK)	29.01	25.04	57.00	66.88	66.88	68.12	68.54	63.78	87.92	91.79
Last paid share price (SEK)	28.20	21.80	83.25	68.50	63.75	71.25	71.50	68.50	91.50	87.25
Highest share price (SEK)	37.90	35.90	88.00	83.75	83.75	73.75	73.00	72.25	105.25	103.00
Lowest share price (SEK)	21.00	16.20	21.00	54.25	55.25	62.50	63.00	54.25	67.75	78.00
Equity/asset ratio (percent)	83	83	74	63	71	64	64	63	63	61
Investments, continuing operations (MSEK)	15.4	18.0	36.1	67.8	16.4	15.9	13.0	22.5	19.5	12.8
Average number of employees (accumulated)	28	71	106	154	141	145	148	154	182	197
Number of employees at end of period	52	95	136	185	151	167	179	185	196	225
Number of registered shareholders at end of period	3 785	3 256	5 952	5 790	6 206	6 403	6 010	5 790	6 413	7 826
<b>Customers</b>	<b>2005 FY</b>	<b>2006 FY</b>	<b>2007 FY</b>	<b>2008 FY</b>	<b>2008 Q1</b>	<b>2008 Q2</b>	<b>2008 Q3</b>	<b>2008 Q4</b>	<b>2009 Q1</b>	<b>2009 Q2</b>
Registered Clients (thousands)	445.5	543.6	996.2	1 499.9	1 145.3	1 236.8	1 346.0	1 499.9	1 629.1	1 777.1
Quarterly growth (%)					15	8	9	11	9	9
Growth compared to same period last year (%)		22	83	51	67	60	55	51	42	44
Active Clients (thousands)	44.3	92.6	107.0	167.4	153.2	139.0	127.3	167.4	174.6	185.3
Quarterly growth (%)					43	-9	-8	32	4	6
Growth compared to same period last year (%)		109	16	56	22	47	40	56	14	33
Activity Rate, Active/Registered clients (%)	10	17	11	11	13	11	9	11	11	10

## Segment Reporting

Gross Profit by geographical area	2005 FY	2006 FY	2007 FY	2008 FY	2008 Q1	2008 Q2	2008 Q3	2008 Q4	2009 Q1	2009 Q2
<b>Gross Profit (MSEK)</b>										
Nordic Countries	82.9	158.0	351.4	478.2	106.0	108.8	126.9	136.5	143.0	140.1
EU, outside Nordic region	16.8	28.8	66.3	97.2	22.5	22.2	21.6	30.9	32.9	33.5
Others Europe	6.8	34.1	89.3	250.4	51.1	54.0	55.0	90.3	79.0	49.7
Rest of the world	9.2	6.1	1.5	2.3	0.3	0.4	0.7	0.9	0.8	0.8
Total gaming activities	115.7	227.0	508.5	828.1	179.9	185.4	204.2	258.6	255.7	224.1
Other adjustments	3.9	5.2	12.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Group totals	119.6	232.2	520.8	828.1	179.9	185.4	204.2	258.6	255.7	224.1
<b>Share of total gaming activities (%)</b>										
Nordic Countries	71.7	69.6	69.1	57.7	58.9	58.7	62.1	52.8	55.9	62.5
EU, outside Nordic region	14.5	12.7	13.0	11.7	12.5	12.0	10.6	11.9	12.9	14.9
Others Europe	5.9	15.0	17.6	30.2	28.4	29.1	26.9	34.9	30.9	22.2
Rest of the world	8.0	2.7	0.3	0.3	0.2	0.2	0.3	0.3	0.3	0.4
<b>Quarterly Growth (%)</b>										
Nordic Countries					9	3	17	8	5	-2
EU, outside Nordic region					23	-1	-3	43	6	2
Others Europe					107	6	2	64	-13	-37
Rest of the world					-25	33	75	29	-11	0
Total all countries					28	3	10	27	-1	-12
<b>Growth compared to same period last year (%)</b>										
Nordic Countries		91	122	36	41	42	25	40	35	29
EU, outside Nordic region		71	130	47	53	40	24	69	46	51
Others Europe		401	162	180	73	193	231	266	55	-8
Rest of the world		-34	-75	53	-25	0	133	125	167	100
Total all countries		96	124	63	50	66	50	83	42	21

  

Gross Profit by Products	2005 FY	2006 FY	2007 FY	2008 FY	2008 Q1	2008 Q2	2008 Q3	2008 Q4	2009 Q1	2009 Q2
<b>Gross Profit (MSEK)</b>										
Casino	70.1	126.8	254.2	481.3	96.6	111.3	126.9	146.5	151.9	158.4
Poker	44.4	83.1	193.0	158.5	45.1	35.4	36.8	41.2	41.0	31.9
Sportsbook	0.0	14.6	56.8	159.0	32.3	32.5	32.5	61.7	57.4	25.8
Other products	1.1	2.5	4.5	29.3	5.9	6.2	8.0	9.2	5.4	8.0
Total gaming activities	115.6	227.0	508.5	828.1	179.9	185.4	204.2	258.6	255.7	224.1
Other adjustments	3.9	5.2	12.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Group totals	119.5	232.2	520.8	828.1	179.9	185.4	204.2	258.6	255.7	224.1
<b>Share of total gaming activities (%)</b>										
Casino	60.6	55.9	50.0	58.1	53.7	60.0	62.1	56.7	59.4	70.7
Poker	38.4	36.6	38.0	19.1	25.1	19.1	18.0	15.9	16.0	14.2
Sportsbook	0.0	6.4	11.2	19.2	18.0	17.5	15.9	23.9	22.4	11.5
Other products	1.0	1.1	0.9	3.5	3.3	3.3	3.9	3.6	2.1	3.6
<b>Quarterly Growth (%)</b>										
Casino					35	15	14	15	4	4
Poker					-6	-22	4	12	0	-22
Sportsbook					71	1	0	90	-7	-55
Other products					168	5	29	15	-41	48
Total all products					28	3	10	27	-1	-12
<b>Growth compared to same period last year (%)</b>										
Casino		81	100	89	74	102	77	104	57	42
Poker		87	132	-18	-2	-25	-29	-14	-9	-10
Sportsbook		-	289	180	80	274	188	226	78	-21
Other products		127	80	551	1 080	1 450	471	318	-8	29
Total all products		96	124	63	50	66	50	83	42	21