

## Press Release Betsson AB (Publ)

### Betsson acquires leading casino operator on the Dutch market

Betsson AB acquires a private online gaming group ("Oranje and Kroon") based in Malta consisting of Oranje Casino, Kroon Casino and an affiliate business. The companies are primarily targeting the Dutch market, but Kroon Casino also has a presence in Belgium.

"With this acquisition, Betsson gains a strategic position in the Netherlands and become one of the biggest players on the Dutch market which is expected to be re-regulated during 2015. This would give Betsson's profits from locally-regulated markets exceeding 25% of the group's total profit. The deal also gives Betsson a larger and more significant presence in continental Europe", said Magnus Silfverberg, President and CEO of Betsson.

In 2013, revenues in Oranje and Kroon amounted to EUR 32.5 million with an EBIT of EUR 22.1 million, equivalent to an EBIT margin of 67,8%. Registered customers amount to 209 000.

In addition to incremental earnings, the transaction contributes with more than 300 new domains, a Belgian license and a number of proprietary developed and exclusive casino games. Betsson acquires Oranje and Kroon from three entrepreneurs. They will continue as external advisors to Betsson. Betsson has also secured other key employees to remain with the business.

Betsson acquires a combination of shares and assets from the sellers for an initial purchase consideration amounting to EUR 100 million (enterprise value), of which EUR 60 million are payable in Betsson shares and the remaining 40 million is payable in cash. The initial purchase consideration corresponds to 4.5 times EBIT in 2013.

In addition to the initial purchase consideration, a remaining purchase consideration may become payable, based on the outcome of the anticipated re-regulation in Holland. A more attractive re-regulation for Oranje and Kroon will trigger a higher remaining amount to be settled by Betsson. The maximum remaining purchase consideration amounts to EUR 45 million, which implies a maximum total purchase consideration of EUR 145 million, which corresponds to 6.6 times EBIT for 2013.

However, the expected remaining purchase consideration is EUR 30 million, representing a total purchase consideration of EUR 130 million, corresponding to 5.9 times EBIT for 2013.

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BETSSON AB'S CORE BUSINESS CONSISTS OF INVESTING AND ADMINISTERING SHAREHOLDING IN COMPANIES, WHICH THROUGH PARTNERS OR BY THEMSELVES, OFFERS GAMES TO THE END USERS VIA THE INTERNET. BETSSON AB OWNS BETSSON MALTA WHICH OPERATES GAMES THROUGH PARTNERSHIPS AND OWN WEBSITES. BETSSON MALTA OFFERS POKER, CASINO, SPORTS BETTING, SCRATCH CARDS, BINGO AND GAMES. THE CUSTOMERS MAINLY ORIGINATE FROM THE SCANDINAVIAN COUNTRIES AND OTHER PARTS OF EUROPE. BETSSON AB IS LISTED ON NASDAQ OMX NORDIC MID CAP LIST, (BETS).

POST- AND VISIT ADDRESS	TELEPHONE/FAX	REGISTERED OFFICE	E-MAIL WEB	CORPORATE REG.NO. VAT.REG.NO.
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Betsson estimates that the acquisition and integration costs will not exceed SEK 30.0 million over the next 12 months. In addition to these costs further depreciation of immaterial assets will be triggered, in conjunction with Betsson's previous acquisitions, these have no cash flow impact.

The acquisition is financed through equity, own generated cash and a newly secured EUR 90 million bank facility. The funding creates flexibility for the future and will also be used to repay current outstanding debt.

The shares issued as payment in kind as part of the purchase consideration are issued under the authorization that the board in Betsson AB has from the Annual General Meeting. The price for the shares will be determined based on Betsson's share price before the completion of the transaction.

The acquisition is subject to customary regulatory approvals, and closing is expected to take place during first quarter 2014.

More information will follow at Betsson's presentation of the fourth quarter at Betsson AB's office, Regeringsgatan 28, Stockholm, at 09.00 (CET). To participate by phone please call:

+ 46 850 556 474 (Sweden)  
+ 44 203 364 53 74 (UK)  
+ 18 557 532 230 (U.S.)

To access the presentation via webcast: <http://www.media-server.com/m/p/fdvzqah2>

Carnegie Investment Bank acts as financial adviser to Betsson in connection with the transaction and Gernandt & Danielsson Advokatbyrå acts as legal advisers.

For further information, please contact:

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Betsson discloses the information provided herein pursuant to the Securities Market Act and/or the Financial Instruments Trading Act. The information was submitted for publication at 07:00 CET on Friday, 7 February 2014.

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