

## Interim Report January 1 – June 30, 2008

ALL FIGURES IN THIS REPORT ARE IN SEK. FIGURES IN PARENTHESIS INDICATE THE CORRESPONDING PERIOD OF THE PREVIOUS YEAR.

### Second Quarter

- Revenues increased by 63 percent to SEK 236.9 (145.6) million
- Operating income increased by 29 percent to SEK 60.1 (47.2) million
- Income before taxes amounted to SEK 61.4 (47.6) million
- Income after taxes amounted to SEK 57.2 (43.4) million, corresponding to SEK 1.46 (1.10) per share
- Betting Shop launched in Stockholm
- Betsson.com launched a new version of the Sportsbook and a web shop
- Betsson.com launched in Serbia and the Netherlands
- SEK 5,00 per share was transferred to the shareholders (Share Redemption Programme)

### Interim period

- Revenues increased by 58 percent to SEK 464.7 (293.7) million
- Operating income increased by 26 percent to SEK 116.9 (92.7) million
- Income before taxes amounted to SEK 118.9 (93.1) million
- Income after taxes amounted to SEK 110.8 (85.1) million, corresponding to SEK 2.82 (2.15) per share

### A successful second quarter

“The second quarter is normally weaker than the first quarter. By the offers to customers that we have developed and implemented, we have succeeded to maintain and even increase activities during Q2, which makes the quarter our strongest so far” says Pontus Lindwall, CEO.

### Invitation to the Interim Report

Presentation of the Interim Report (Telephone-conference)

Today, Friday 1 August, at 09.00 CET, Betsson's CEO, Pontus Lindwall, will present the Interim Report for the Second Quarter, 2008. The Report will be followed by an opportunity to ask questions. The presentation will be held in English.

To attend the telephone conference, please call: +46(0)8 5051 3791 (Sweden) or +44(0)20 7806 1968 (UK).

The Presentation will also be accessed at 09.00 via Webcast (audio and PowerPoint presentation), at [www.betssonab.com](http://www.betssonab.com) under Investor Relations, Presentations alternatively [www.financialhearings.com](http://www.financialhearings.com), Betsson.

A copy of the presentation will be available at [www.betssonab.com](http://www.betssonab.com) from 1 August.

## Second Quarter 2008

### Revenue and gross profits (gaming surplus)

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 profit) represent the result that emerges after the transactions with a third party i.e. gaming suppliers and payment providers.

The Gross Profits from the Group's gaming activities represent the accepted gaming wagers minus the customers winnings after deduction of gaming taxes, licence fees to the game suppliers and the net income and expenses for payment services via banks and credit cards for depositing and withdrawing the customers' funds. Bonuses to customers and loyalty programmes do not affect the Group's gross profits.

Betsson has during Q2 increased marketing investments via marketing partners on certain new markets, while marketing investments on other markets have been adjusted to the seasonal effect. This strategy has proved to be a success and the company has increased gaming revenue and gross profits (gaming surplus). The company has also continued to increase the selections available for depositing and withdrawing funds which is an important requirement particularly regarding new markets. EURO 2008 contributed, in accordance with company expectations, to higher activities during the quarter. The outcome from Casino and Games increased, but it is uncertain if this is an effect of EURO 2008.

The Group's revenue increased to SEK 236.9 (145.6) million, which shows a revenue increase of 63 percent compared to the same period for the previous year.

Gross profits (gaming surplus) have increased by 58 percent to SEK 185.4 (117.1) million. The gross profits also include costs for payment services, which have increased in alignment with the greater selection of deposit and payments methods now available.

### Income

The Group's operating income increased to SEK 60.1 (47.2) million. The operating margin was 25.4 (32.4) percent.

During the quarter, Betsson kept on investing within technology and technical consultants for developing and the integration of new payment solutions and the new version of the Sportsbook. Income was also affected by pre-opening expenses regarding the Betting Shop in Stockholm.

The operating income has also been affected negatively by currency effects of SEK -3.5 (-1.0) million by transfer of assets and debt in foreign currency at the closing day.

The Group's income before taxes increased to SEK 61.4 (47.6) million and income after taxes amounted to SEK 57.2 (43.4) million, corresponding to SEK 1.46 (1.10) per share.

### Interim Period January-June 2008

The Group's revenue increased to SEK 464.7 (293.7) million, which shows a revenue increase of 58 percent compared to the same period for the previous year.

Gross profits (gaming surplus) have increased by 53 percent to SEK 365.3 (238.2) million. The gross profit also includes costs for payment services, which have increased in alignment with the greater selection of deposit and payments methods now available.

The Group's operating income increased to SEK 116.9 (92.7) million. The operating margin was 25.2 (31.6) percent. It is primarily the marketing costs which have increased during the first quarter due to greater investment to attract new customers during the favorable season of the first quarter. As a result of the investments the number of active customers increased by 43 percent to 153 000. The marketing costs amounted to SEK 157.5 (74.7) million during the whole interim period. Betsson also invested within technology and technical consultants for developing and the integration of new payment solutions.

The operating income has also been affected negative by currency effects of SEK -5.7 (-1.3) million by transfer of assets and debt in foreign currency at the closing day.

The Group's income before taxes increased to SEK 118.9 (93.1) million and income after taxes for the continuing operations amounted to SEK 110.8 (85.1) million, corresponding to SEK 2.82 (2.15) per share. In last year's report there was an additional sum of SEK 11.5 million corresponding to SEK 0.29 per share, which concerned income after taxes of the first quarter of the subsidiary Net Entertainment, which was distributed to the shareholder in April 2007.

Return on equity was 19 (16) percent and on total capital 14 (15) percent. Equity per share amounted on the balance date to SEK 13.61 (13.69) after transfer to the shareholders during the second quarter of SEK 5.00 (0.50) per share.

### *Gaming operations*

Betsson offers, through its subsidiary Betsson Malta Ltd, Internet gaming to end customer in the global market via gaming portal betsson.com and via the CasinoEuro.com and CherryCasino.com casino sites.

### *Products*

During the second quarter Betsson launched a new version of the Sportsbook and a web shop in Sweden and Turkey.

- Betsson currently offers the following products:
- Sports betting which offers a wide variety of possibilities for wagering, both on sports and other events of interest to European players. In all Betsson has offered over 150 000 betting markets during the second quarter.
- The betting exchange, which is a marketplace for wagering. Unlike sports betting, here customers play against each other. Betsson receives commission from those who win a wager.
- Casino with a large variety of world-class casino games that require no download. Here there are both traditional and innovative games including Black Jack, Roulette, Casino Hold'em, video poker games, gaming machines and much more.
- Poker with several different poker games connected to OnGame, the largest poker network in the world with approx. twelve million registered poker players. As well as 32 card poker on a different network. Poker via mobile telephones is also available.

- The scratch card Trio, which gives the player a high payout and winnings on average from every third card.
- Bingo offers a selection of different bingo games. A bingo host is present in the chat, where players also chat with each other.
- Betsson Trader is a stocks and shares game, so called Financial Betting.
- Games, a number of entertainment games where both luck and skill count. Within the production area, there is everything from virtual horse racing to dice games.

Casino gaming is Betsson's biggest product and represented 60.0 (49.5) percent of the gross gaming surplus (gross profits), followed by Poker 19.1 (42.3) percent and Sportsbook 17.5 (8.3) percent, while other products accounted for 3.3 (0.4) percent of the gross profits from gaming operations.

The products growth (gaming surplus) compared to the first quarter 2008 is as follows: Casino games 15 percent, Sportsbook 1 percent and Other Products 5 percent while gross profits from Poker decreased by 22 percent. The decrease in poker is mainly explained by currency effects, the seasonal effect and a decrease of the product on mature markets.

### *Customers*

At the end of the quarter, the number of registered customers amounted to 1 236 800, which corresponds to an increase of 8 percent compared with the previous quarter and an increase of 60 percent compared with the second quarter for the previous year.

During the quarter Betsson has invested in certain new markets which opened by mid 2007. On other market, especially on mature markets, the company has adjusted marketing investments to the seasonal effect.

The number of active customers during the quarter amounted to 139 000, which corresponds to a decline of 9 percent compared to the first quarter and an increase of 47 percent compared to the second quarter last year. The decline of active customers during the second quarter is an effect of the changed customer offers (with less free-of-charge offers) compared to the first quarter.

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

Betsson actively performs marketing through various media, and through result-based cooperation and partnerships to increase the number of customers. At the same time, Betsson has an active loyalty system to attract new customers.

## Markets

During Q2 Betsson.com has been launched in Serbia and the Netherlands, and Betsson has opened a Betting Shop in Stockholm, Sweden.

Betsson.com is established in 17 countries, with the Nordic countries making up the most important geographical market.

CasinoEuro.com is available in 16 languages and CherryCasino.com in 13 languages. Betsson still has its strongest footing in Scandinavia, but is now growing more and more rapidly throughout the rest of Europe.

Regarding the gross profits, the Nordic countries (Sweden, Norway, Finland and Denmark) accounted for 59 (69) percent, EU outside Nordic countries accounted for 12 (14) percent while the rest of Europe (including Turkey) accounted for 29 (17) percent. During the second quarter growth in the Nordic area was 3 percent, EU excluding the Nordic countries declined 1 percent while growth in the rest of Europe growth was 6 percent compared to the first quarter. Gross profit from countries outside Europe is still only marginal.

## Betting Shop in Stockholm

On May 30 Betsson opened the doors of its first betting shop. The betting shop is unique in Sweden with a completely new modern concept. The decor is modern, the staff is well educated and has great knowledge in sports. Games are offered from a number of Internet terminals where the customers can search for information before gambling. A wide range of sports broadcast on the television screens, which is placed on the walls. As a result of the opening of the Betting shop, Betsson has pushed forward the development of betting shops. The shop is so far the only Betting shop which is designed for modern people who want to be in charge of their gambling themselves, and where freedom of choice is a word of honour.

The Betting shop is located in Stockholm. The aim of Betsson's new endeavour is to build

closer relations with its players and offer more gaming opportunities and greater freedom of choice. The opening of the betting shop marks a challenge of the Swedish gaming monopoly, as the Betsson's opinion is that EU law provides support for this endeavour. There is no longer any reason for Betsson to wait for a political process that is hardly moving forward. Betsson wants to drive development of the gaming market for the benefit of players.

As a result of the Betting shop the Gaming Board decided to impose a fine upon Betsson of SEK 2,5 million. Betsson was surprised by the fine as the Supreme Court expressed doubt about this section's compatibility with EC law recently. Further on Betsson intends to appeal the penalty payment.

Betsson's betting shop will remain opened as it complies with EC law. Betsson is convinced that the Swedish gaming monopoly is illegal. If the state take measures that in any way harm Betsson, the company will demand damages.

## Personnel

The average number of employees during the interim period was 145 (99) for the Group. At the end of the period, there were 167 (108) employees, of which 106 (71) were based on Malta.

## Investments

During the interim period the Group has invested SEK 32.3 (9.6) million in the operation. The major part of the investments are development of gaming platforms, integration of games and payment solutions as well as IT hardware for operating Internet games and renovation and refurbishing offices.

## Acquisition of own shares

Betsson has during the interim period acquired its own shares in accordance with an earlier Board decision based on the AGM mandate. During the first quarter the company has acquired 66 000 B-shares at an average rate of SEK 59.20. The total number of acquired shares amounted at the closing date to 310 000 B-shares acquired at an average rate of SEK 58.27. At the end of the period, 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.

### ***Redemption programme***

On May 12, the AGM decided on a share split (2:1) and an automatic share redemption programme of the newly issued so called redemption shares.

The redemption programme meant that SEK 199.2 million, corresponding to SEK 5.00 per share was distributed to the shareholders on June 13.

### ***Other resolutions at the AGM***

As board members were re-elected Per Hamberg, Patrick Svensk, Kicki Wallje-Lund and John Wattin and were elected Carl Lewenahaupt and Lars Linder-Aronson. Emil Sunvisson and Rolf Blom resigned. John Wattin was re-elected chairman of the board.

PricewaterhouseCoopers, with authorized auditor Michael Bengtsson as auditor, was elected as the auditor for the period until the end of the AGM 2012.

The Annual General Meeting resolved to authorize the Board to resolve on purchasing, at one or several occasions, so many own shares that the Company's holding does not at any time exceed 10 per cent of the total number of shares in the Company. Furthermore, the AGM resolved to authorize the Board to pass resolutions on disposal of the Company's own shares as payment in connection with an acquisition of companies or businesses, at a price within the share price interval registered at that time.

The General Meeting also resolved to authorize the Board to, at one or more occasions, during the time until the next Annual General Meeting, resolve on the issuance of shares for consideration in kind which involves the issuance of not more than 4 million Class B shares (corresponding to a dilution of approximately 10 percent). The purpose of the authorization is to increase the Company's financial flexibility and be able to make payment using own financial instruments in connection with potential acquisitions. The basis for the determination of the subscription price shall be the share price at the time of each issue date.

The General Meeting resolved to reduce the Company's equity reserve with SEK 253.3 million from SEK 506.6 million to SEK 253.3 million. The amount whereby the equity reserve is reduced shall be transferred to non-restricted equity. The reduction of the equity reserve was performed on July 21.

The General Meeting decided to establish a Nomination Committee which shall consist of not less than three members representing the Company's major shareholders. The Nomination Committee will be formed in October 2008.

### ***Parent Company***

The operations of the parent company, Betsson AB (Publ), are primarily directed toward Group administration. The company provides and sells internal services to other Group member companies in the areas of finance, accounting, administration and management.

Net sales (including intra-Group items) for the reporting period amounted to SEK 4.4 (3.7) million and the income after financial items amounted to SEK -10.8 (-5.7) million.

The parent company's investments in fixed assets amounted to SEK 0.7 (0.0) million during the reporting period, due primarily to refurbishment and investment in premises. Cash and cash equivalents amounted to SEK 12.7 (14.8) million at the closing date. The company has no bank loans or bank credits.

During the interim period the Parent Company has acquired own shares for SEK 3.9 million (0.0) and executed a share redemption programme corresponding to a transfer of SEK 196.2 million to the shareholders.

In connection with the Share Redemption Programme a bonus issue on SEK 39.6 million was executed in order to re-establish the share capital. Additionally, SEK 253.3 million will be transferred from Equity reserve to non-restricted equity according to AGM decision which was approved by the Swedish Company Registration Office on July 21.

### ***Ownership structure***

The company's B-share is listed on Nasdaq OMX Nordic Exchange in Stockholm, Mid Cap. The company has some 6 400 (4 400) shareholders in all at the end of the period. The largest owners (with more than 10 percent of the votes) were

Per Hamberg with 8.9 percent of the capital and 21.3 percent of the votes, Rolf Lundström with 5.1 percent of the capital and 11.0 percent of the votes and Knutsson family with 6.2 of the capital and 10.9 percent of the votes.

### ***Events after the end of the interim period***

Sales in July were in line with the June sales, which Betsson believes is a strong achievement since July is a weak month with negative seasonal effects and low season in the sport.

The next largest jackpot in Betsson's and Sweden's history was won by a Swedish player. The profit was won over on Tuesday, July 28, and amounted to 947 394.68 Euros which fully went to a happy craftsman in Trollhättan, Sweden.

From 1 July 2008 the company has to comply with the revised Code of Corporate Governance.

Otherwise, nothing worth noting has happened 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 2.1 Reporting for Juridical Persons.

The accounting principles remain unchanged from the year-end accounting 2007. Further information on the Group's accounting and valuation principles can be found in note 2 of the Annual Report for 2007, which is available on the company's website or at the Head Office

### ***Risks and uncertainties***

Nothing worthy of note has occurred regarding the risks and uncertainties Betsson is exposed to since the publishing of the previous report and Annual Report. For further details please refer to the Annual report for 2007

### ***Transactions with related parties***

No transactions between Betsson and related parties which substantially effect the Group's financial position and income for the interim period have been executed.

### ***Prospects for 2008***

Betsson estimates the market for Internet gaming will continue to grow rapidly. The pressure on countries within the EU to alter their legislation and to allow competition has increased strongly during 2007 and during the start of the first quarter. A number of countries have reported that they are working on a new legislation which is compatible within EU requirements. It is uncertain when such legislation will be introduced on Betsson's main markets. However, it is clear that when it happens it will give Betsson increased possibilities for marketing and presence on the market.

The confidence for Internet as a trading site increases as more people use Internet to perform their bank business, stock deals, insurance business and purchase of commodities. The increased confidence is important for Internet commerce, especially in countries where the trust for Internet commerce up to this point has been low. This development is a fundamental driving force for the development of online gaming.

An additional underlying driving force for growth is that the next generation of playing customers is going to use the internet on a larger scale than today's playing customers.

During 2007 Turkey introduced new legislation towards online gaming. The sole purpose of the law was to protect the gaming company IDDAA controlled by the authorities. The law is a breach of the agreement between EU and Turkey according to legal experts. The purpose of the agreement is to regulate Turkey's possible entry into the EU. The Turkish law aggravates Betsson's operation on the Turkish market.

Norway has express intentions to ban online games. Betsson evaluation 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.

Betsson chooses to develop more and more partnerships to acquire new customers. Betsson's assessment is that acquiring new customers through partnerships entail less risk and provides good opportunities for a turnover growth and growth of profit. The partnerships could lead to slightly lower margins on the revenues that come through these partnerships.

The online gaming market is estimated to grow by 20 to 30 percent during 2008. Betsson has the ambition to grow faster than the market.

***Next Financial Report***

Q3 and Interim Report January-September 2008 will be published on November 7, 2008 (new date).

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 1 August 2008

John Wattin Per Hamberg Carl Lewenhaupt  
Chairman Director Director

Pontus Lindwall  
President and CEO

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

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 1 August 2008, 07:30 CET.

Betsson AB's operations involve owning and managing companies which are active within gaming on the Internet. Betsson AB owns Betsson Malta Ltd which operates gaming for the end customer via the websites Betsson.com, CasinoEuro.com and CherryCasino.com. Betsson Malta Ltd offers poker, casino, card games, lottery, financial betting, bingo, games and trader. Customers are primarily from Scandinavia and the rest of Europe. Betsson AB is listed on the OMX Nordic Exchange in Stockholm, Mid Cap (BETS).

**Consolidated income statements (MSEK)**

	<b>Q2 2008</b>	<b>Q2 2007</b>	<b>Q1-Q2 2008</b>	<b>Q1-Q2 2007</b>	<b>Full Year 2007</b>
<b>Revenues</b>	<b>236.9</b>	<b>145.6</b>	<b>464.7</b>	<b>293.7</b>	<b>649.0</b>
Operating expenses from gaming activities	-51.5	-28.5	-99.4	-55.5	-128.2
<b>Gross Profit</b>	<b>185.4</b>	<b>117.1</b>	<b>365.3</b>	<b>238.2</b>	<b>520.8</b>
Marketing expenses	-76.9	-31.3	-157.5	-74.7	-189.1
Personell expenses	-24.2	-14.9	-45.5	-28.8	-62.4
Other external expenses	-27.7	-23.5	-53.5	-42.8	-91.2
Capitalized development costs	11.9	4.0	22.5	8.3	26.9
Depreciation	-4.9	-3.2	-8.7	-6.2	-12.3
Other operating expenses	-3.5	-1.0	-5.7	-1.3	-2.8
Operating expenses	-125.3	-69.9	-248.4	-145.5	-330.9
<b>Operating income</b>	<b>60.1</b>	<b>47.2</b>	<b>116.9</b>	<b>92.7</b>	<b>189.9</b>
Financial items, net	1.3	0.4	2.0	0.4	2.8
<b>Income before tax</b>	<b>61.4</b>	<b>47.6</b>	<b>118.9</b>	<b>93.1</b>	<b>192.7</b>
Tax	-4.2	-4.2	-8.1	-8.0	-13.3
<b>Income for the period from continuing operations</b>	<b>57.2</b>	<b>43.4</b>	<b>110.8</b>	<b>85.1</b>	<b>179.4</b>
Income for the period from discontinued operations	-	-	-	11.5	11.5
<b>Income for the period attributable to the shareholders</b>		<b>43.4</b>	<b>110.8</b>	<b>96.6</b>	<b>190.9</b>
Earning per share, continuing operations (SEK)	1.46	1.10	2.82	2.15	4.55
Earning per share, discontinued operations (SEK)	0.00	0.00	0.00	0.29	0.29
Earning per share, total operations (SEK)	1.46	1.10	2.82	2.44	4.84
Operating margin (percent of Revenues)	25.4	32.4	25.2	31.6	29.3
Operating margin (percent of Gross Profit)	32.4	40.3	32.0	38.9	36.5
Profit margin (percent)	25.9	32.7	25.6	31.7	29.7
Average number of outstanding shares (millions)	39.2	39.6	39.3	39.6	39.5
Number of outstanding shares at end of period (millions)	39.2	39.6	39.2	39.6	39.3
Return on equity (percent)			19	16	32
Return on total capital (percent)			14	15	27
Return on capital employed (percent)			21	18	35

**Consolidated balance sheet (MSEK)**

	<b>2008-06-30</b>	<b>2007-06-30</b>	<b>2007-12-31</b>
Intangible assets	420.2	387.6	402.1
Tangible fixed assets	17.9	6.6	12.3
Other long-term receivables	1.4	0.7	0.3
Deferred tax receivables	1.0	0.1	1.0
Total non-current assets	440.5	395.0	415.7
Current receivables	255.7	135.7	195.2
	142.6	134.6	232.7
Cash and liquid assets	398.3	270.3	427.9
Total current assets	<b>838.8</b>	<b>665.3</b>	<b>843.6</b>
<b>Total assets</b>	<b>534.4</b>	<b>541.8</b>	<b>623.5</b>
Equity	0.2	0.0	0.2
Deferred tax liabilities	0.2	0.0	0.2
Total non-current liabilities	0.0	0.0	0.0
Current interest bearing liabilities	304.2	123.5	219.9
Other current liabilities	304.2	123.5	219.9
Total current liabilities	<b>838.8</b>	<b>665.3</b>	<b>843.6</b>

**Consolidated cash flow statements (MSEK)**

	Q1-Q2 2008	Q1-Q2 2007	Full Year 2007
Income after financial items (including discontinued operations)	118.9	105.6	205.3
Adjustments for non-cash items	11.3	10.5	16.1
Taxes paid	-5.1	-6.6	-8.6
Cash flows from operating activities before changes in working capital	125.1	109.5	212.8
Changes in working capital	20.8	-15.4	18.7
<b>Cash flows from operating activities</b>	<b>145.9</b>	<b>94.1</b>	<b>231.5</b>
Investments	-32.3	-14.6	-41.1
Change in long-term receivables	-1.1	0.1	0.4
Sale of shares and fixed assets	-	0.1	0.1
<b>Cash flows from investing activities</b>	<b>-33.4</b>	<b>-14.4</b>	<b>-40.6</b>
Dividend	-	-19.8	-19.8
Redemption of shares	-196.2	-	-
Cost of Share Redemption Programme	-1.1	-	-
Acquisition of own shares	-3.9	-	-14.2
Distribution of subsidiary to shareholders	-	-1.5	-1.5
Costs of distribution of subsidiary	-	-2.4	-2.4
<b>Cash flows from financing activities</b>	<b>-201.2</b>	<b>-23.7</b>	<b>-37.9</b>
<b>Changes to cash and liquid assets</b>	<b>-88.7</b>	<b>56.0</b>	<b>153.0</b>
Cash and liquid assets at beginning of period	232.7	77.2	77.2
Exchange rate differences	-1.4	1.4	2.5
<b>Cash and liquid assets at end of period</b>	<b>142.6</b>	<b>134.6</b>	<b>232.7</b>
<b>Of which cash flows regarding discontinued operations</b>			
Operating activities	-	-7.8	-7.8
Investing activities	-	-3.9	-3.9
Financing activities	-	-	-
Total discontinued operations	-	-11.7	-11.7

**Change in Group equity (MSEK)**

	Q1-Q2 2008	Q1-Q2 2007	Full Year 2007
Opening balance	623.5	491.3	491.3
Translation differences	1.4	3.8	5.3
<b>Total change directly in equity, excluding transactions against company owners</b>	<b>1.4</b>	<b>3.8</b>	<b>5.3</b>
Income for the period	110.8	96.6	190.9
<b>Total change, excluding transactions against company owners</b>	<b>112.2</b>	<b>100.4</b>	<b>196.2</b>
Dividend	-	-19.8	-19.7
Share Redemption	-196.2	-	-
Cost of Share Redemption Programme after tax	-1.2	-	-
Distribution of shares in subsidiaries	-	-27.7	-27.7
Cost of distribution of subsidiary after tax	-	-2.4	-2.4
Acquisition of own shares	-3.9	-	-14.2
<b>Equity at end of period</b>	<b>534.4</b>	<b>541.8</b>	<b>623.5</b>
<b>Attributable to:</b>			
Parent company's shareholders	534.0	541.4	618.4
Minority Interest	0.4	0.4	0.4
<b>Total equity</b>	<b>534.4</b>	<b>541.8</b>	<b>618.8</b>

**Group Review**

<b>Consolidated income statements (msek)</b> (continuing operations)	2005	2006	2007	2007	2007	2007	2007	2008	2008
	Full Year	Full Year	Full Year	Q1	Q2	Q3	Q4	Q1	Q2
<b>Revenues</b>	157.1	293.6	649.0	148.1	145.6	165.5	189.8	227.8	236.9
Operating expenses from gaming activities	-37.5	-61.4	-128.2	-27.0	-28.5	-28.6	-44.1	-47.9	-51.5
<b>Gross Profit</b>	119.6	232.2	520.8	121.1	117.1	136.9	145.7	179.9	185.4
Marketing expenses	-45.6	-106.3	-189.1	-43.4	-31.3	-43.7	-70.7	-80.6	-76.9
Personell expenses	-17.1	-46.5	-62.4	-13.9	-14.9	-18.7	-14.9	-21.3	-24.2
Other external expenses	-49.1	-59.2	-91.2	-19.3	-23.5	-21.6	-26.8	-25.8	-27.7
Capitalized development costs	4.8	12.1	26.9	4.3	4.0	3.4	15.2	10.6	11.9
Depreciation	-7.0	-11.5	-12.3	-3.0	-3.2	-2.6	-3.5	-3.8	-4.9
Other operating expenses	-0.9	-1.9	-2.8	-0.3	-1.0	0.0	-1.5	-2.2	-3.5
Operating expenses	-114.9	-213.3	-330.9	-75.6	-69.9	-83.2	-102.2	-123.1	-125.3
<b>Operating income</b>	4.7	18.9	189.9	45.5	47.2	53.7	43.5	56.8	60.1
Financial items, net	137.1	-1.1	2.8	0.0	0.4	0.7	1.7	0.7	1.3
<b>Income before tax</b>	141.8	17.8	192.7	45.5	47.6	54.4	45.2	57.5	61.4
Tax	0.1	14.2	-13.3	-3.8	-4.2	-3.2	-2.1	-3.9	-4.2
<b>Income for the period (continuing operations)</b>	141.9	32.0	179.4	41.7	43.4	51.2	43.1	53.6	57.2
<b>Consolidated balance sheet (MSEK)</b>	2005	2006	2007	2007	2007	2007	2007	2008	2008
	Full Year	Full Year	Full Year	Q1	Q2	Q3	Q4	Q1	Q2
Non-current assets	424.8	430.8	415.7	420.4	395.0	398.4	415.7	429.5	440.5
Current assets	148.6	147.2	427.9	257.4	270.3	348.9	427.9	513.3	398.3
<b>Total assets</b>	573.4	578.0	843.6	677.8	665.3	747.3	843.6	942.8	838.8
Equity	474.1	479.0	623.5	545.3	541.8	578.2	623.5	672.8	534.4
Non-current liabilities	24.1	25.2	0.2	0.9	0.0	0.0	0.2	0.2	0.2
Current liabilities	75.2	73.8	219.9	131.6	123.5	169.1	219.9	269.8	304.2
<b>Total equity and liabilities</b>	573.4	578.0	843.6	677.8	665.3	747.3	843.6	942.8	838.8
<b>Key Ratios</b> (Continuing operations)	2005	2006	2007	2007	2007	2007	2007	2008	2008
	Full Year	Full Year	Full Year	Q1	Q2	Q3	Q4	Q1	Q2
Quarterly top-line growth (%)				39	-2	14	15	20	4
Growth compared to same period last year (%)		87	121	35	54	49	77	54	63
Gross Margin (percent of Revenues)	76.1	79.1	80.2	81.8	80.4	82.7	76.8	79.0	78.3
EBITDA-margin (percent of Revenues)	7.4	10.4	31.2	32.7	34.6	34.0	24.8	26.6	27.4
EBITDA-margin (percent of Gross Profit)	9.8	13.1	38.8	40.0	43.0	41.1	32.3	33.7	35.1
EBIT-margin (percent of Revenues)	3.0	6.4	29.3	30.7	32.4	32.4	22.9	24.9	25.4
EBIT-margin (percent of Gross Profit)	3.9	8.1	36.5	37.6	40.3	39.2	29.9	31.6	32.4
Profit margin (percent of Revenues)	90.3	6.1	29.7	30.7	32.7	32.9	23.8	25.2	25.9
Profit margin (percent of Gross Profit)	118.6	7.7	37.0	37.6	40.6	39.7	31.0	32.0	33.1
Marketing expenses (percent of Revenues)	29.0	36.2	29.1	29.3	21.5	26.4	37.2	35.4	32.5
Marketing expenses (percent of Gross Profit)	38.1	45.8	36.3	35.8	26.7	31.9	48.5	44.8	41.5
Earning per share (SEK)	3.93	0.82	4.55	1.05	1.10	1.30	1.10	1.36	1.46
Equity per share (SEK)	12.38	12.41	15.85	13.78	13.69	14.70	15.85	17.13	13.61
Average share price (SEK)	29.01	25.04	57.00	31.25	47.52	60.48	77.21	66.88	68.12
Last paid share price (SEK)	28.20	21.80	83.25	43.00	61.50	68.25	83.25	63.75	71.25
Highest share price (SEK)	37.90	35.90	88.00	44.50	65.25	70.25	88.00	83.75	73.75
Lowest share price (SEK)	21.00	16.20	21.00	21.00	30.20	48.50	67.60	55.25	62.50
Equity/assets ratio (percent)	83	83	74	80	81	77	74	71	64
Investments, continuing operations (MSEK)	15.4	18.0	36.1	7.5	2.1	6.0	20.5	16.4	15.9
Average number of employees (accumulated)	28	71	106	96	99	101	106	141	145
Number of employees at end of period	52	95	136	106	108	113	136	151	167
Number of registered shareholders at end of period	3 785	3 256	5 952	3 226	4 422	5 893	5 952	6 206	6 403

### Group Review

Customers	2005 Full Year	2006 Full Year	2007 Full Year	2007 Q1	2007 Q2	2007 Q3	2007 Q4	2008 Q1	2008 Q2
Registered Clients	445 500	543 600	996 200	686 000	774 200	869 300	996 200	1 145 300	1 236 800
Quarterly growth (%)				26	13	12	15	15	8
Growth compared to same period last year (%)		22	83	35	41	35	83	67	60
Active Clients	44 300	92 600	107 000	125 200	94 500	90 800	107 000	153 200	139 000
Quarterly growth (%)				35	-25	-4	18	43	-9
Growth compared to same period last year (%)		109	16	19	57	43	16	22	47
Activity Rate, Active/Registered clients (%)	10	17	11	18	12	10	11	13	11
Gross Profit by geographical area MSEK	2005 Helär	2006 Helär	2007 Helär	2007 Q1	2007 Q2	2007 Q3	2007 Q4	2008 Q1	2008 Q2
Nordic Countries	82.9	158.0	351.4	75.2	76.8	101.8	97.6	106.0	108.8
EU, outside Nordic region	16.8	28.8	66.3	14.7	15.9	17.4	18.3	22.5	22.2
Others Europe	6.8	34.1	89.3	29.6	18.4	16.6	24.7	51.1	54.0
Rest of the world	9.2	6.1	1.5	0.4	0.4	0.3	0.4	0.3	0.4
Total gaming activities	115.7	227.0	508.5	119.9	111.5	136.1	141.0	179.9	185.4
Others, adjustments	3.9	5.2	12.3	1.2	5.6	0.9	4.6	0.0	0.0
Group totals	119.6	232.2	520.8	121.1	117.1	137.0	145.6	179.9	185.4
<u>Share of total gaming activities (%)</u>									
Nordic Countries	71.7	69.6	69.1	62.7	68.9	74.8	69.2	58.9	58.7
EU, outside Nordic region	14.5	12.7	13.0	12.3	14.3	12.8	13.0	12.5	12.0
Others Europe	5.9	15.0	17.6	24.7	16.5	12.2	17.5	28.4	29.1
Rest of the world	8.0	2.7	0.3	0.3	0.4	0.2	0.3	0.2	0.2
<u>Quarterly Growth (%)</u>									
Nordic Countries					2	33	-4	9	3
EU, outside Nordic region					8	9	5	23	-1
Others Europe					-38	-10	49	107	6
Rest of the world					0	-25	33	-25	33
Total all countries					-7	22	4	28	3
<u>Growth compared to same period last year (%)</u>									
Nordic Countries	91	122						41	42
EU, outside Nordic region	71	130						53	40
Others Europe	401	162						73	193
Rest of the world	-34	-75						-25	0
Total all countries	96	124						50	66

## Group Review

<b>Gross Profit by Products</b> MSEK	2005 Full Year	2006 Full Year	2007 Full Year	2007 Q1	2007 Q2	2007 Q3	2007 Q4	2008 Q1	2008 Q2						
Casino	70.1	126.8	254.2	55.5	55.2	71.7	71.8	96.6	111.3						
Poker	44.4	83.1	193.0	46.0	47.2	51.7	48.1	45.1	35.4						
Sportsbook	0.0	14.6	56.8	17.9	8.7	11.3	18.9	32.3	32.5						
Other products	1.1	2.5	4.5	0.5	0.4	1.4	2.2	5.9	6.2						
Total gaming activities	115.6	227.0	508.5	119.9	111.5	136.1	141.0	179.9	185.4						
Others, adjustments	3.9	5.2	12.3	1.2	5.6	0.9	4.6	0.0	0.0						
Group totals	119.5	232.2	520.8	121.1	117.1	137.0	145.6	179.9	185.4						
<b>Share of total gaming activities (%)</b>															
Casino	60.6	55.9	50.0	46.3	49.5	52.7	50.9	53.7	60.0						
Poker	38.4	36.6	38.0	38.4	42.3	38.0	34.1	25.1	19.1						
Sportsbook	0.0	6.4	11.2	14.9	7.8	8.3	13.4	18.0	17.5						
Other products	1.0	1.1	0.9	0.4	0.4	1.0	1.6	3.3	3.3						
<b>Quarterly Growth (%)</b>															
Casino					-1	30	0	35	15						
Poker					3	10	-7	-6	-22						
Sportsbook					-51	30	67	71	1						
Other products					-20	250	57	168	5						
Total all products					-7	22	4	28	3						
<b>Growth compared to same period last year (%)</b>															
Casino	81	100						74	102						
Poker	87	132						-2	-25						
Sportsbook	-	289						80	274						
Other products	127	80						1 080	1 450						
Total all products	96	124						50	66						
<b>Parent Company</b>															
<b>Income Statement (MSEK)</b>															
	Q1-Q2 2008	Q1-Q2 2007	Full Year 2007												
<b>Revenues</b>	4.4	3.7	13.3												
Operating expenses	-16.8	-9.6	-21.8												
<b>Operating Income</b>	-12.4	-5.9	-8.5												
Financial items	1.6	0.2	137.1												
<b>Income after financial items</b>	-10.8	-5.7	128.6												
Appropriations	-	-	-0.4												
<b>Income before tax</b>	-10.8	-5.7	128.2												
Tax	3.0	1.6	1.2												
<b>Income for the period</b>	-7.8	-4.1	129.4												
<b>Parent Company</b>															
<b>Balance sheet (MSEK)</b>															
	2008-06-30	2007-06-30	2007-12-31												
Tangible fixed assets	3.3	0.2	2.9												
Financial assets	588.6	667.7	587.4												
Total non-current assets	591.9	667.9	590.3												
Current receivables	76.5	11.8	163.2												
Cash and liquid assets	12.7	14.8	76.3												
Total current assets	89.2	26.6	239.5												
<b>Total assets</b>	681.1	694.5	829.8												
Restricted equity	585.6	587.6	585.6												
Unrestricted equity	7.0	91.2	216.0												
Total equity	592.6	678.8	801.6												
Untaxed reserves	0.4	0.0	0.4												
Current liabilities	88.1	15.7	27.8												
<b>Total equity and liabilities</b>	681.1	694.5	829.8												