

Betsson AB (publ) interim report, 1 January-30 June 2017

Revenue increased by 26% and amounted to SEK 1,177 m

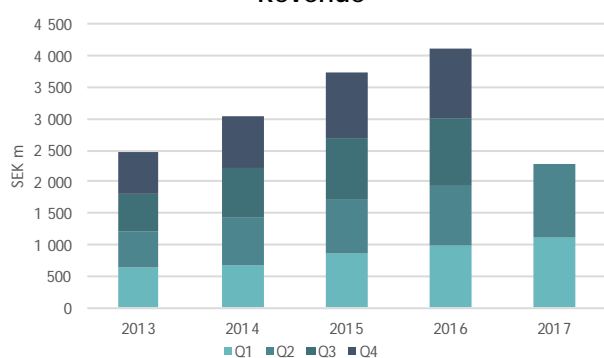
QUARTER, APRIL - JUNE

- Organic revenue growth was 15 percent.
- Casino revenue increased by 28 percent and Sportsbook revenue by 15 percent.
- Region Nordics grew by 28 percent and Region Western Europe by 69 percent.
- Operating income (EBIT) amounted to SEK 206.9 million, an increase of 31 percent. In constant currency, EBIT was SEK 224.4 million.
- Sustainable revenue increased by 58 percent and betting duties amounted to SEK 53.5 (31.3) million.

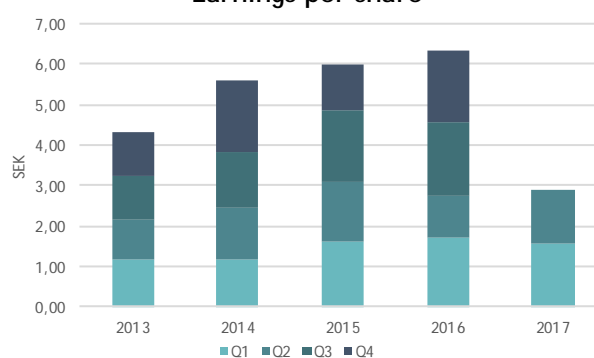
PERIOD, JANUARY - JUNE

- Revenue increased by 18 percent to SEK 2,279.4 million. Casino revenue increased by 26 percent.
- Operating profit amounted to SEK 447.8 (408.4) million, corresponding to growth of 10 percent.
- Profit before tax amounted to SEK 427.0 (405.3) million.
- Net profit amounted to SEK 400.5 (380.3) million, corresponding to SEK 2.89 (2.75) per share.
- Operating cash flow amounted to SEK 447.3 (541.9) million.

Revenue



Earnings per share



KEY DATA

SEK m	Q2 2017	Q2 2016	Δ	Jan-Jun 2017	Jan-Jun 2016	Δ	Jan-Dec 2016
Revenue	1,177.5	935.4	26%	2,279.4	1,935.5	18%	4,117.3
Gross profit	851.1	694.6	23%	1,657.4	1,440.4	15%	3,078.0
Operating income (EBIT)	206.9	158.3	31%	447.8	408.4	10%	946.4
EBIT margin	17.6%	16.9%	-	19.6%	21.1%	-	23.0%
Net income	186.1	146.4	27%	400.5	380.3	5%	878.0
Earnings per share (SEK)	1.34	1.06	26%	2.89	2.75	5%	6.34
Operating cash flow	242.4	211.9	14%	447.3	541.9	-17%	1,168.5
Casino revenue	876.6	683.1	28%	1,699.5	1,352.3	26%	2,907.8
Sportsbook turnover	5,755.0	6,008.7	-4%	11,761.1	12,726.4	-8%	24,392.1
Sportsbook revenue	255.6	223.0	15%	505.9	515.8	-2%	1,080.4
Sportsbook margin after free bets	6.4%	5.7%	-	6.2%	5.9%	-	6.5%
Deposits	4,056.3	3,472.8	17%	7,845.5	6,989.4	12%	14,457.6
Active players, 000's	551	563	-2%	-	-	-	-



Betsson is larger and is a significantly more well-balanced business with higher growth rates, compared to one year ago.

Ulrik Bengtsson

MESSAGE FROM THE CEO

“The revenue growth in the second quarter was 26 percent, with an organic growth of 15 percent. Betsson continues to gain market share, both in in the highly competitive Nordic region and in Western Europe. The continuous product development is clearly paying off as both casino and sportsbook have developed strongly. Operating Income (EBIT) grew by 31 percent. Operating income shows strong growth, despite increased betting duties, a continuing currency headwind and increased marketing expenses, again showing the scalability of the business model over time. It is also a good indication of the stability and balance of the business. Betsson is larger and a significantly more well-balanced business with higher growth rates, compared with a year ago.

PRODUCT DEVELOPMENT INVESTMENTS SHOW RESULTS

In 2016, we made a step change in our product development and launched a very successful new mobile Casino based on Betsson’s proprietary OBG framework in the third quarter, resulting in three consecutive quarters with Casino growth above 20 percent. We also made some significant improvements to the sportsbook, including increased market depth, more simultaneous live events, improved functionality such as cash-out, and most recently, the launch of an improved racing offer. This has enabled the strong sportsbook growth of 48 percent in the Nordics. The next big initiative is a new mobile sportsbook developed on OBG, which is currently being rolled out. We believe we will see the full effect of this in the sportsbook revenue in the fourth quarter and onwards.

Betsson continues to deliver on its strategy with an increasing share of sustainable revenue. The development of the technical platform continues, in order to outgrow the market also in the future, and to absorb the increasing cost of regulations. Betsson will also continue to be active in the consolidation of the online gaming market.

The daily revenue in the beginning of the third quarter was, as expected, much higher than the average daily revenue for the full third quarter 2016. Operating income in the third quarter last year was very strong for Betsson, partly due to a strong finish to Euro 2016 with a higher than average sportsbook margin. This year Betsson will, as previously indicated, invest more in marketing to capitalise on the improved product offering and the momentum we have in the Nordics and Western Europe.”

ABOUT BETSSON

Betsson AB (publ) is a holding company that invests in and manages fast-growing companies within online gaming. The Company is one of the largest in online gaming in Europe and has the ambition to outgrow the market, organically and through acquisitions. This should be done in a profitable and sustainable manner, primarily in locally regulated markets. Betsson AB is listed on Nasdaq Stockholm Large Cap (BETS).

Betsson’s operational subsidiaries’ vision is to deliver the best customer experience in the industry. They offer casino, sportsbook and other games via gaming licences in eleven countries in Europe and Central Asia. The business model is to offer gaming under multiple brands, including Betsson, Betsafe, Nordicbet and Casinoeuro. The brands are operated on a proprietary platform, which is the core of the offer and the customer experience.

Being a responsible operator in relation to customers, suppliers, authorities, investors and other stakeholders is a cornerstone of the Betsson’s business. Betsson is a member of the European Gaming and Betting Association (EGBA), ESSA (Sports Betting Integrity) and G4 (The Global Gambling Guidance Group).

Learn more about the Group on www.betssonab.com

Founded in

1963

Betsson AB’s B share is listed on Nasdaq Stockholm Large Cap

Ticker: BETS B

Betsson Group operates 17 brands

11

Gaming licenses in 11 jurisdictions.

REVENUE AND EARNINGS

REVENUE FOR THE QUARTER

Group revenue totaled SEK 1,177.5 (935.4) million, an increase of 26 percent of which 15 percent was organic growth. Gross profit amounted to SEK 851.1 (694.6) million. The increase was mainly attributable to strong growth in Casino, strong growth in Regions Nordics and Western Europe, and acquisitions. Currency fluctuations had an immaterial positive impact on revenue.

During the quarter, licence revenue for system deliveries to the gaming operator Realm Entertainment Ltd. (Realm) amounted to SEK 113.5 (135.6) million, corresponding to 9.6 (14.5) percent of total revenue. Continued negative currency fluctuations affected licence revenue related to Realm by SEK 17.3 million, compared with the second quarter 2016. Revenue attributable to Realm declined by 4 percent in local currency.

Mobile revenue

Mobile revenue in the second quarter amounted to SEK 625.5 (383.1) million, an increase of 63 percent. Mobile revenue was 53 (41) percent of total revenue.

Casino revenue

Casino revenue in the second quarter amounted to SEK 876.6 (683.2) million, an increase of 28 percent, whereof 20 percent was organic. Casino represented 74 (73) percent of Group revenue.

Growth in mobile Casino revenue was 76 percent.

Sportsbook revenue

Gross turnover in Sportsbook, in all Betsson's gaming solutions, amounted to SEK 5,755.0 (6,008.7) million. Currency fluctuations in TYR have had a negative impact of SEK 392.5 million on Gross turnover in Sportsbook. The share of Sportsbook turnover generated from mobile devices amounted to 65 (61) percent. The margin after free bets in Sportsbook was 6.4 (5.7) percent. The eight-quarter rolling average margin was 6.6 percent.

Sportsbook revenue in the second quarter amounted to SEK 255.6 (223.0) million, an increase of 15 percent, of which 2.5 percent was organic. Acquisitions had no effect on the Sportsbook growth in the Nordics. Sportsbook represented 22 (24) percent of the Group's revenue.

Mobile sportsbook revenue amounted to SEK 180.1 million, an increase of 41 percent.

Other revenue

Other revenue amounted to SEK 45.3 (29.2) million. This product category includes poker.

Revenue per region

Revenue from region Nordics was at an all-time high, despite the second quarter being seasonally weak, and amounted to SEK 558.7 (435.1) million, an increase of 28 percent. Betsson's growth in the highly competitive Nordic region has accelerated and Betsson is now gaining market shares in all the Nordic countries.

Revenue from region Western Europe amounted to SEK 351.8 (208.4) million, an increase of 69 percent, of which 31 percent was organic growth.

Revenue from region Central & Eastern Europe and Central Asia (CEECA) amounted to SEK 226.5 (267.2) million. Sportsbook revenue amounted to 90.7 (128.3) million, the decrease was mainly a result of continued negative currency fluctuations from TRY and unusually weak sportsbook margin in Georgia.

Sustainable revenue, i.e. revenue from locally licensed and/or taxed markets where Betsson pays local betting duties, has increased by 58 percent since the second quarter of the previous year and amounted to SEK 280.3 (177.4) million, corresponding 23.8 (19.0) percent of total revenue. The ongoing conversion of the revenue base to an increased share of sustainable revenue is in line with the Company's strategy.

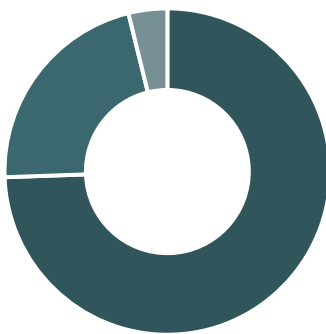
REVENUE FOR THE PERIOD

Group revenue totaled SEK 2,279.4 (1,935.5) million, an increase of 18 percent. Gross profit amounted to SEK 1,657.4 (1,440.4) million.

53%

Mobile share of revenue

Revenue by product



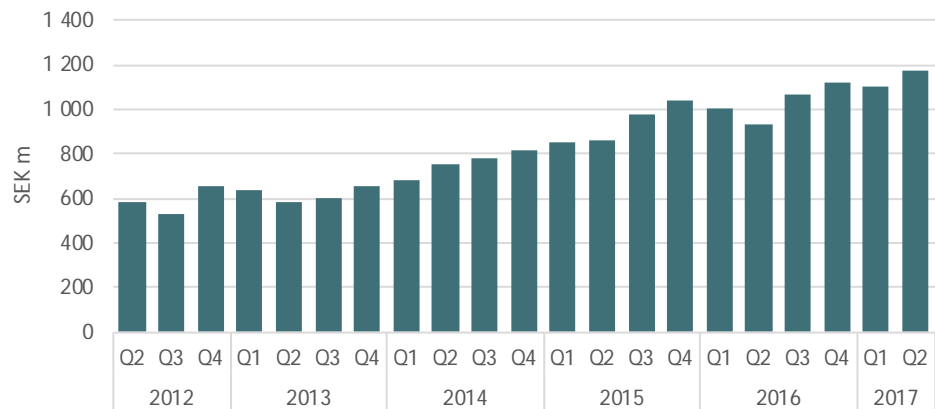
- Casino (74%)
- Sportsbook (22%)
- Other (4%)

Revenue by region



- Nordic (47%)
- Western Europe (30%)
- CEECA (23%)

Total revenue



EXPENSES

Betting duties related to local gaming licences amounted to SEK 53.5 (31.3) million, the majority of which was reported under Cost of services provided. Currency exchange rate fluctuations had a negative impact of SEK 7.7 million on Cost of services provided.

Operating expenses amounted to SEK 644.2 (536.3) million. The increase is mainly attributable to acquired companies and negative currency fluctuations.

Currency fluctuations had a negative impact of SEK 18.4 million on operating expenses, compared with the exchange rates applied in the same period the previous year. Betsson's expenses are mainly in EUR.

Marketing expenses amounted to SEK 246.5 (219.2) million. The increase is attributable to acquired entities and negative currency fluctuations. Marketing expenses adjusted for acquisitions amounted to SEK 217.5 million, which then is a small decrease from last year where there were heavy marketing activities connected to the European championship in football. In addition, the commission for affiliates and partners, reported under Cost of services provided, amounted to SEK 92.3 (72.0) million.

Personnel expenses amounted to SEK 203.2 (160.6) million. The increase compared with the previous year is mainly attributable to acquired entities and further investments in technology and product development. Personnel costs adjusted for acquisitions amounted to SEK 186.9 million.

Other external expenses amounted to SEK 182.0 (156.7) million. The increase is primarily related to contribution from acquired entities and negative currency fluctuations. Other external expenses adjusted for acquisitions amounted to SEK 165.9 million.

Capitalised development costs amounted to SEK 56.8 (50.8) million. Amortisation of capitalised development was SEK 48.8 (35.8) million. Capitalised development increases at a lower pace than amortisation of capitalised development. The reason for that is that today's capitalisation is based on a lower cost base and that a high level of capitalised projects are in a commercial phase where amortization starts. This will vary overtime and is depending on the type of project our tech resources work with and when those projects go into a commercial phase.

EARNINGS FOR THE QUARTER

Operating income (EBIT) amounted to SEK 206.9 (158.3) million, corresponding to a growth of 31 percent, and the operating margin was 17.6 (16.9) percent. The operating income adjusted for the past 12 months' acquisitions amounted to SEK 200.1 million, corresponding to an organic growth in operating income of 26 percent.

Currency fluctuations had a negative impact of SEK 17.8 million on operating income. EBIT in constant currency amounted to SEK 224.6 million.

The conversion of the revenue base has a negative impact on the operating income as the share of highly profitable license revenue for system deliveries to the gaming operator Realm decreased and betting duties increased.

Acquired entities over the past four quarters contributed to the operating income with SEK 6.8 million.

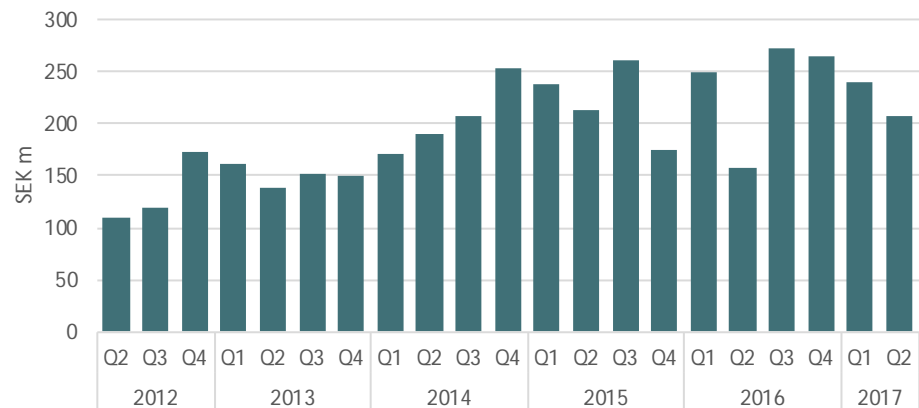
Net financial items amounted to SEK 10.3 (1.9) million; the increase is mainly attributable to interest costs related to the bond issued in November 2016.

The Group's income before tax amounted to SEK 196.6 (156.4) million and net income amounted to SEK 186.1 (146.4) million, corresponding to SEK 1.34 (1.06) per share.

EARNINGS FOR THE PERIOD

Operating income for the first half year amounted to SEK 447.8 (408.4) million, corresponding to 10 percent growth. Net income amounted to SEK 400.5 (380.3) million, corresponding to SEK 2.89 (2.75) per share.

Operating income (EBIT)



CASH FLOW, INVESTMENTS AND FINANCIAL POSITION

LIQUID FUNDS AND CUSTOMER LIABILITIES

Cash and cash equivalents at the end of June 2017 amounted to SEK 470.1 (412.8) million. Customer liabilities, including reserves for accumulated jackpots, amounted to SEK 368.1 (423.3) million. Due to the regulations of gaming authorities, this amount limits utilisation of the Company's cash and cash equivalents. Current receivables from payment providers for unsettled customer deposits were SEK 325.2 (286.0) million.

CASH FLOW

Cash flow from operating activities during the quarter amounted to SEK 242.4 (211.9) million.

FINANCING

Betsson has a strong cash flow from operating activities and only uses external financing for acquisitions. At the end of the second quarter, available credit facilities amounted to SEK 1,083.6 (1,312.3) million, of which SEK 972.6 (1,136.8) million was utilised and SEK 111.0 (175.5) million was unutilised. In addition, Betsson has issued a senior unsecured bond which after deduction of fees amounted to SEK 992.4 million.

External financing

Credit facility	Amount	Utilised	Unutilised
RCF (EUR m)	35.0	33.0	2.0
RCF (SEK m)	700.0	653.4	46.6
RCF (SEK m)	45.0	0.0	45.0
Bond (SEK m)	992.4	992.4	0.0

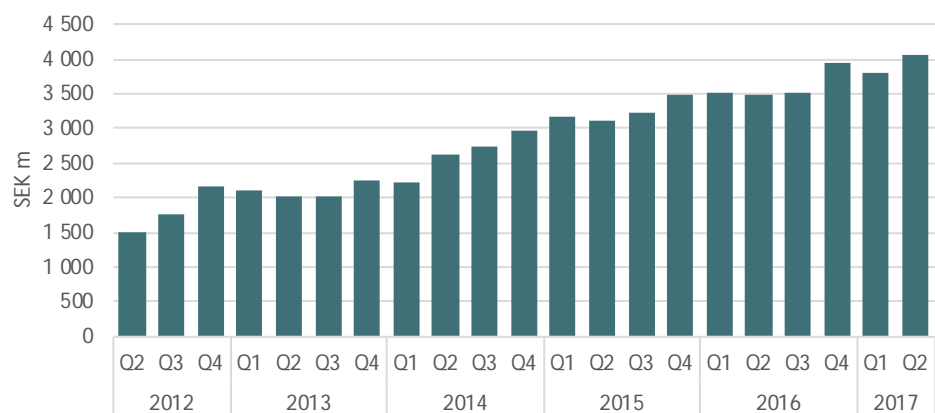
CUSTOMER ACTIVITY

Customer deposits in all Betsson's gaming solutions during the quarter amounted to SEK 4,056.3 (3,472.8) million, an increase of 17 percent, of which 10 percent was organic growth. Growth in deposits should due to normal quarterly variances be evaluated over a longer period than a quarter.

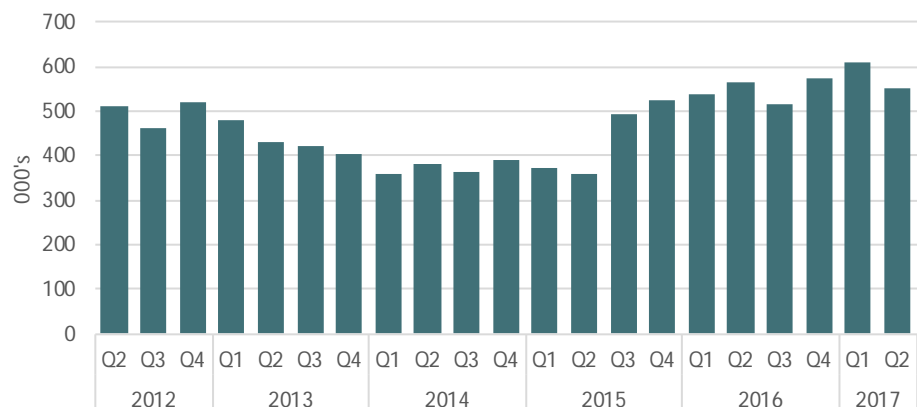
By the end of the second quarter, the number of registered customers was 12.4 (9.5) million, an increase of 31 percent. The KPI includes the net of additional customers related to acquisitions, restructuring of customer bases and organic growth.

Active customers during the quarter amounted to 551,181 (563,247). The strong comparative figure for 2016 relates to the increased activity level in connection with the European football championships.

Deposits



Active players



SIGNIFICANT EVENTS AND OUTLOOK

OTHER SIGNIFICANT EVENTS DURING THE QUARTER

In April, it was announced that Kaaren Hilsen had been appointed CFO of Betsson AB and takes up her position on 1 October 2017. It was also announced that Abby Rachel Cosgrave had been appointed Vice President Legal for Betsson AB and General Counsel Betsson Malta.

In June, a further strengthening of Group management was announced. Fredric Lundén was appointed Vice President Governance, Risk and Compliance and will assume the position on 1 September 2017. Petra Zackrisson was appointed Vice President Corporate Development. She has been on the management of Betsson Malta since 2013.

On 11 May, the Annual General Meeting (AGM) adopted the re-election of Pontus Lindwall, Patrick Svensk, Kicki Wallje-Lund, Martin Wattin and Jan Nord, as members of the Board of Directors. Pontus Lindwall was re-elected as Chairman of the Board of Directors. The AGM also adopted a distribution of SEK 658.9 million, corresponding to SEK 4.76 per share, to shareholders. In addition, the AGM resolved to authorise the Board of Directors to issue shares and/or convertible bonds for payment in kind or by way of set-off, involving the issue of or conversion into up to 14.4 million Class B shares (corresponding to a dilution of about 10.0 percent of the share capital and about 5.1 percent of the shareholders votes). For full information on the AGM's resolution, please see the Company website.

There have been no other significant events during the period.

SIGNIFICANT EVENTS AFTER THE QUARTER

The daily revenue in the quarter up until 17 July was higher than the average daily revenue of the full second quarter 2017 and, as expected, much higher than the average daily revenue of the full third quarter 2016. Please note that this trading update is not a forecast for the revenue of the third quarter, but an indication of how the quarter has started.

In July, Betsson filed an official complaint to the European Commission requesting the re-opening of infringement proceedings against the Netherlands that were initiated in 2006.

On 14 July, Betsson invited shareholders of Betsson AB to an Extraordinary General Meeting (EGM) to be held on Monday, 7 August 2017. The purpose of the EGM is to decide on the election of a new member of the Board of Directors.

There have been no other significant events after the end of the reporting period.

OUTLOOK

The company will continue to grow and plans to invest more in marketing to capitalise on the improved product offering and the current market momentum. Total operating expenses in the third quarter 2017 are expected to grow in the range of 5 percent, provided no material currency fluctuation, compared to the total operating expenses for the second quarter 2017.

The management expects that revenue from regulated markets will continue to grow and thereby increased betting duties paid. Betting duties are mainly recognised in Cost of Services Provided. Local regulation creates improved possibilities for continued growth and management views the conversion of our revenues to long-term sustainable and valuable revenues as a positive development.

OTHER INFORMATION

Name	Q2 2017	Q2 2016
Employees	1,878	1,624
Contractors	214	209

PERSONNEL

At the end of the second quarter, the company had 1,887 (1,766) employees including 188 employees related to newly acquired companies. The average number of employees in the Group during the second quarter amounted to 1,878 (1,624), of which 1,032 (871) were based in Malta.

In addition, the Group employed 214 (209) full-time consultants at the end of the quarter, mainly within product development. The cost of consultants is recognised under Other external costs.

PARENT COMPANY

The Parent Company Betsson AB's (publ) business consists of investing in and administering shareholdings in companies which, through partners or by themselves, offer games to end users online. The Company provides and sells internal services related to financing, communication, accounting and administration to certain Group companies.

Revenue for the second quarter amounted to SEK 6.3 (4.1) million, and earnings before tax amounted to SEK -1.2 (-2.3) million.

Cash and cash equivalents in the Parent Company totalled SEK 42.5 (69.3) million.

EQUITY

Equity in the Group amounted to SEK 3,301.7 (3,028.1) million, corresponding to SEK 23.85 (21.88) per share.

OWNERSHIP STRUCTURE AND SHARES OUTSTANDING

The Company's Series B shares are listed on Nasdaq Stockholm Large Cap List (BETS). At the end of the period, the Company had 42,847 (41,492) shareholders.

The total number of shares and votes in Betsson amounts to 144,493,238 and 290,833,238, divided into 16,260,000 Series A shares with ten votes each, 122,155,730 Series B shares with one vote each and 6,077,508 Series C shares which may not be represented at general meetings of shareholders. Betsson treasury shares amounted to 1,084 Series B shares, which have been acquired in previous years at an average price of SEK 19.42, and 6,077,508 Series C shares.

Shareholders at 30 June 2017

Name	A shares	B and C shares	Votes (outstanding)	% Capital (total capital)	% Votes (votes outstanding)
Hamberg family and companies	5,098,500	225,000	51,210,000	3.7%	18.0%
Danske Bank International S.A	3,731,000	669,443	37,979,443	3.0%	13.3%
Knutsson family and companies	2,710,000	4,350,000	31,450,000	4.9%	11.0%
Novobis AB	2,557,500	1,860,000	27,435,000	3.1%	9.6%
Lindwall, Berit Anita	1,683,000	70,000	16,900,000	1.2%	5.9%
Swedbank Robur Funds	0	13,146,466	13,146,466	9.1%	4.6%
Handelsbanken Luxembourg	450,000	589,326	5,089,326	0.7%	1.8%
Försäkringsaktiebolaget Avanza pension	0	4,439,269	4,439,269	3.1%	1.6%
Didner & Gerge Funds	0	3,921,959	3,921,959	2.7%	1.4%
Lazard Frères Gestion	0	3,203,566	3,203,566	2.2%	1.1%
Other	30,000	89,679,617	89,979,617	62.1%	31.6%
Betsson treasury shares	0	6,078,592	0	4.2%	0.0%
Total	16,260,000	128,233,238	284,754,646	100.0%	100.0%

8.5%

Estimated CAGR on Betsson's core markets in Europe 2017-2021

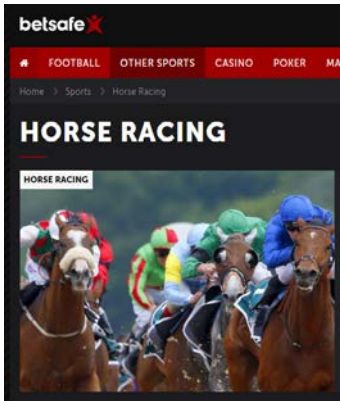
MARKET

The entire gaming market, including both offline and online gaming, is worth close to EUR 300 billion, and it is growing by approximately 2 percent per year. Online gaming only constitutes 11 percent of the entire gaming market. Annual growth in Betsson's core markets in Europe is expected to be 8.5 percent during the years 2017-2021. (Data source: H2 Gambling Capital.)

The growth is driven by higher e-commerce in general, as well as parallel usage of several screens such as a mobile phone, computer and tablet. Customers also expect to have games easily accessible when and where they want.

Another important driving force is that an increasing number of European countries are introducing local regulations for online gaming whereby gaming companies can apply for a local licence and thus pay local gaming tax. The licence gives gaming companies the chance to compete on equal terms and to gain access to more effective marketing channels and payment solutions. The markets that have introduced local regulations have also experienced a substantial growth increase in the years following regulation. Local regulations entail increased demands, and benefit operators that have a scalable, proprietary platform. This is resulting in increased consolidation in the locally regulated markets, which creates acquisition opportunities for Betsson.

The Swedish government is planning to present a bill regarding re-regulation of the online gaming market in March 2018. Betsson estimates that a new regulation in Sweden could be implemented in the second half of 2019.



PRODUCTS

The gaming sites operate on an in-house developed platform, which is the core of the offer and the customer experience. It processes and hosts payments, customer information, accounts, customer transactions and games. The games are mainly casino and sportsbook, but the offer also includes poker, scratch cards, bingo and other games. First class customer experiences are crucial and Betsson continuously invests in innovation and technology to reinforce its leading position.

Betsson's Casino comprises 2,096 (1,442) different games, of which 1,503 (593) are available on mobile devices. In the second quarter, Betsson added casino games to its offer, including games from the provider Novomatic.

Betsson has integrated acquired company Racebet's horse racing product to the Betsson sportsbook platform and in the second quarter, racing was launched on the Betsafe brand for UK and Ireland. Roll-out of the new mobile sportsbook, built on the OBG framework, started in the second quarter and will be completed within the coming months.

DECLARATION BY THE BOARD

The Board and the CEO in Betsson AB hereby confirm that this interim report gives a fair view of the operations, balance sheet and income statement of the Parent Company and the Group and that it describes the material risks faced by the Company and the Group.

Stockholm, 19 July 2017

Ulrik Bengtsson
President and CEO

Pontus Lindwall
Chairman of the Board

Patrick Svensk
Board member

Kicki Wallje-Lund
Board member

Martin Wattin
Board member

Jan Nord
Board member

This interim report has not been subject to review by the auditors. This document is a translated copy of the Swedish original.

ACQUISITIONS

Premier Casino

During the first quarter, Betsson entered the Spanish market by acquiring the locally licensed online gaming operator Premier Casino. Premier Casino is a pure-play casino operator, but also holds General licences for sports betting and other games online. The operator has 260,000 registered customers.

The acquisition has no material impact on Betsson's short-term financials, but enables long-term profitable growth in the Spanish market. Betsson will, going forward, operate the business under the brand StarCasino (starcasino.es) in Spain.

The purchase price payable in cash was EUR 3.0 million and the acquisition was closed in March 2017.

NetPlay

In February, Betsson made a public offer for the British gaming operator NetPlay TV plc ("NetPlay"). The offer was accepted by the required majority of shareholders and Betsson subsequently acquired all shares in NetPlay at the end of March.

The acquisition strengthened Betsson's position in the UK, which is the world's largest locally regulated gaming market. NetPlay operates three brands, Jackpot247, Supercasino and Vernon's, using mainly third-party systems for backend and content. Betsson has a long-term view on NetPlay and will achieve significant cost synergies and operational improvements over time.

The purchase consideration was GBP 26.4 million.

Accounting implications

Premier Casino was consolidated in the first quarter 2017, while NetPlay was consolidated from the start of the second quarter 2017. Goodwill amounting to SEK 218.6 million is attributable to expected cost and revenue synergies. Goodwill is not expected to be tax deductible.

During the second quarter, these acquired entities contributed SEK 70.4 million to revenue and SEK 0.7 million to operating income. In the first half of the year, these acquired entities contributed SEK 71.2 million to revenue and minus SEK 8.3 million to operating income.

If these acquired entities had been consolidated from 1 January, Betsson's revenue would have been SEK 2,354.5 million instead of the reported SEK 2,279.4 million and operating income would have been SEK 456.5 million instead of the actual reported SEK 447.8 million. This includes amortisation of the customer base from 1 January 2017, which arises in the acquisitions, but excludes any acquisition cost related to the acquisitions of NetPlay TV and Premier Casino.

Purchase price allocation

Total purchase price (SEK m)	323.0
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Reported amount of identifiable acquired assets and taken over liabilities:

Cash and cash equivalents	81.9
Property, plant and equipment	7.7
Intangible assets	39.5
Customer base	9.9
Brands	74.2
Current receivables	51.5
Current liabilities	-156.8
Total identifiable net assets	104.4

Goodwill	218.6
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CONSOLIDATED INCOME STATEMENT

SEK m	Q2 2017	Q2 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016
Revenue	1,177.5	935.4	2,279.4	1,935.5	4,117.3
Cost of services provided	-326.4	-240.9	-622.0	-495.1	-1,039.3
Gross profit	851.1	694.6	1,657.4	1,440.4	3,078.0
Marketing expenses	-246.5	-219.2	-457.8	-415.9	-822.3
Personnel expenses	-203.2	-160.6	-382.3	-310.7	-657.9
Other external expenses	-182.0	-156.7	-348.7	-304.7	-638.4
Capitalised development costs	56.8	50.8	110.8	96.7	211.8
Amortisation and depreciation	-67.5	-49.3	-128.2	-94.0	-211.9
Other operating income/expenses	-2.2	-1.3	-3.4	-3.3	-12.9
Operating expenses	-644.2	-536.3	-1,209.6	-1,032.0	-2,131.6
Operating income	206.9	158.3	447.8	408.4	946.4
Financial income and expenses	-10.3	-1.9	-20.8	-3.1	-10.4
Income before tax	196.6	156.4	427.0	405.3	936.0
Tax	-10.5	-10.1	-26.4	-25.0	-58.0
Net income	186.1	146.4	400.5	380.3	878.0

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK m	Q2 2017	Q2 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016
Net income	186.1	146.4	400.5	380.3	878.0
Other comprehensive income					
Revenue/expenses recognised directly in equity:					
Hedge of net investments in foreign currency incl. deferred tax	-3.2	-12.9	-2.9	-16.7	-51.6
Exchange differences in translating foreign operations	29.9	106.0	57.6	133.3	143.9
Other comprehensive income of the period (after tax)	26.7	93.2	54.7	116.7	92.3
Total comprehensive income for the period	212.8	239.5	455.2	497.0	970.3

CONSOLIDATED BALANCE SHEET

SEK m	30/06/2017	30/06/2016	31/12/2016
Intangible fixed assets	5,049.0	4,146.3	4,627.5
Property, plant and equipment	87.0	70.2	85.9
Financial assets	10.4	14.6	12.6
Deferred tax receivables	41.7	25.1	34.9
Total non-current assets	5,188.0	4,256.2	4,760.8
Current receivables	854.8	1,044.5	1,057.4
Cash and cash equivalents	470.1	412.8	444.3
Total current assets	1,324.9	1,457.1	1,501.7
Total assets	6,512.9	5,713.2	6,262.5
Equity	3,301.7	3,028.1	3,502.9
Provision gaming tax	20.1	0.0	20.1
Deferred tax liabilities	10.6	1.0	1.0
Total Provisions	30.7	1.0	21.0
Bond	992.4		990.8
Non-current liabilities to credit institutions		700.0	334.8
Total non-current liabilities	1,965.0	700.0	1,325.6
Current liabilities to credit institutions	972.7	436.8	
Other current liabilities	1,215.6	1,547.4	1,412.9
Total current liabilities	1,215.6	1,984.0	1,412.9
Total equity and liabilities	6,512.9	5,713.2	6,262.5

CONSOLIDATED CASH FLOW STATEMENT

SEK m	30/06/2017	30/06/2016	31/12/2016
Income after financial items	427.0	405.3	936.0
Adjustments for non-cash items	131.5	101.0	217.8
Taxes paid	-36.8	-64.0	-101.9
Cash flow from operating activities			
before changes in working capital	521.7	442.3	1,051.9
Changes in working capital	-74.4	99.6	116.6
Cash flow from operating activities	447.3	541.9	1,168.5
Investments	-136.5	-143.5	-316.7
Sale of property, plant and equipment		2.8	2.8
Acquisition of cash and cash equivalents	81.9	0.0	35.0
Acquisition of shares in subsidiaries	-323.0	0.0	-370.0
Cash flow from investing activities	-377.6	-140.7	-648.9
Cash paid upon redemption of warrants			-0.7
Paid gaming tax provision		-90.2	-90.2
Bond issue			993.0
Settled purchase consideration	-26.1	-180.7	-430.7
New bank loans	644.1	373.0	
Repayment of bank loans			-464.8
Share redemption programme	-658.9	-624.3	-624.3
Warrant premiums received	0.7		0.7
Cash flow from financing activities	-40.2	-522.2	-617.0
Changes to cash and cash equivalents	29.5	-121.0	-97.4
Cash and cash equivalents at beginning of period	444.3	524.9	524.9
Exchange differences	-3.8	8.9	16.8
Cash and cash equivalents at end of period	470.1	412.8	444.3

CHANGE IN GROUP EQUITY

SEK m	30/06/2017	30/06/2016	31/12/2016
Opening balance	3,502.9	3,153.7	3,153.7
Total comprehensive income for the period	455.2	497.0	970.3
Total change excluding owner transactions	455.2	497.0	970.3
Share redemption programme	-658.9	-624.3	-624.3
Warrants paid premium	0.7		0.7
Payment on exercise of options			-0.7
Share options - value of employee services	1.6	1.6	3.1
Equity at end of period	3,301.7	3,028.1	3,502.9
Attributable to:			
Parent company's shareholders	3,301.7	3,028.1	3,502.9

PARENT COMPANY, INCOME STATEMENT

SEK m	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016
Revenue	18.0	8.4	17.2
Operating expenses	-40.6	-27.2	-62.7
Operating income	-22.6	-18.8	-45.4
Financial items	13.5	-6.1	964.7
Income before tax	-9.0	-24.9	919.3
Net income	-9.0	-24.9	919.3

PARENT COMPANY, BALANCE SHEET

SEK m	30/06/2017	30/06/2016	31/12/2016
Property, plant and equipment	2.3	2.0	2.6
Financial assets	4,954.2	3,912.7	4,741.6
Total non-current assets	4,956.5	3,914.7	4,744.2
Current receivables	263.9	50.0	572.1
Cash and cash equivalents	42.5	69.3	45.3
Total current assets	306.4	119.2	617.4
Total assets	5,262.9	4,034.0	5,361.6
Restricted equity	350.3	348.7	349.6
Unrestricted equity	2,729.9	2,455.2	3,397.8
Total equity	3,080.2	2,803.9	3,747.4
Bond	992.4		990.8
Non-current liabilities to credit institutions		700.0	313.6
Total non-current liabilities	992.4	700.0	1,304.4
Current liabilities to credit institutions	957.7	410.7	0.0
Other current liabilities	232.6	119.4	309.8
Total current liabilities	1,190.4	530.1	309.8
Total equity and liabilities	5,262.9	4,034.0	5,361.6

QUARTERLY DATA

INCOME STATEMENT

SEK m	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2015 Q3
Revenue	1,177.5	1,102.0	1,118.5	1,063.3	935.4	1,000.1	1,041.1	972.9
Cost of services provided	-326.4	-295.7	-288.0	-256.2	-240.9	-254.3	-369.6	-237.6
Gross profit	851.1	806.3	830.6	807.0	694.6	745.8	671.4	735.3
Marketing expenses	-246.5	-211.4	-206.3	-200.1	-219.2	-196.7	-215.2	-205.5
Personnel expenses	-203.2	-179.1	-175.9	-171.2	-160.6	-150.2	-152.1	-138.7
Other external expenses	-182.0	-166.7	-166.4	-167.2	-156.7	-148.0	-127.9	-127.1
Capitalised development costs	56.8	54.0	55.6	59.5	50.8	45.9	42.5	40.1
Amortisation and depreciation	-67.5	-60.6	-61.8	-56.0	-49.3	-44.7	-44.7	-43.1
Other operating income/expenses	-2.2	-1.3	-10.6	0.9	-1.3	-2.0	0.4	-0.7
Operating expenses	-644.2	-565.4	-565.5	-534.2	-536.3	-495.7	-497.1	-475.1
Operating income	206.9	240.9	265.1	272.9	158.3	250.1	174.4	260.2
Financial items, net	-10.3	-10.6	-5.5	-1.8	-1.9	-1.2	-3.0	2.7
Income before tax	196.6	230.4	259.6	271.1	156.4	248.9	171.4	262.9
Tax	-10.5	-16.0	-16.0	-17.0	-10.1	-14.9	-12.3	-15.9
Net income	186.1	214.4	243.6	254.1	146.4	234.0	159.1	247.0

BALANCE SHEET

SEK m	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2015 Q3
Non-current assets	5,188.0	5,062.8	4,760.8	4,372.1	4,256.2	4,126.2	4,075.5	4,151.4
Current assets	1,324.9	1,828.8	1,501.7	1,576.3	1,457.1	1,601.0	1,651.8	1,537.0
Total assets	6,512.9	6,891.7	6,262.5	5,948.4	5,713.2	5,727.2	5,727.4	5,688.4
Equity	3,301.7	3,746.8	3,502.9	3,343.3	3,028.1	3,412.1	3,153.7	3,087.2
Provisions and non-current liabilities	1,023.0	1,614.2	1,346.7	721.2	701.0	677.7	620.9	968.6
Current liabilities	2,188.3	1,530.6	1,412.9	1,883.9	1,984.2	1,637.4	1,952.7	1,632.6
Total equity and liabilities	6,512.9	6,891.7	6,262.5	5,948.4	5,713.2	5,727.2	5,727.4	5,688.4
Consolidated cash flow statement								
Operating cash flow	242.4	204.9	332.2	294.4	211.9	330.0	278.2	412.2
Cash flow from investing activities	-368.8	-8.8	-426.1	-82.2	-78.1	-62.6	-54.8	-494.3
Cash flow from financing activities	-276.1	235.9	20.4	-115.2	-182.3	-339.8	-203.3	243.2
Total cash flow	-402.5	432.1	-73.5	97.1	-48.6	-72.3	20.1	161.1

KEY RATIOS

	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2015 Q3
Key financial ratios								
Gross Margin (% of revenue)	72.3	73.2	74.3	75.9	74.2	74.6	64.5	75.6
EBITDA-margin (% of revenue)	23.3	27.4	29.2	30.9	22.2	29.5	21.0	31.2
EBIT-margin (% of revenue)	17.6	21.9	23.7	25.7	16.9	25.0	16.7	26.8
Profit margin (% of revenue)	16.7	20.9	23.2	25.5	16.7	24.9	16.5	27.0
Marketing expenses (% of revenue)	20.9	19.2	18.4	18.8	23.4	19.7	20.7	21.1
Basic earnings per share (SEK)	1.34	1.55	1.76	1.84	1.06	1.69	1.15	1.78
Diluted earnings per share (SEK)	1.34	1.55	1.76	1.84	1.06	1.69	1.15	1.78
Equity per share (SEK)	23.85	27.07	25.31	24.15	21.88	24.65	22.78	22.30
Executed dividend/redemption per share (SEK)	4.76	-	-	-	4.51	-	-	-
Equity/assets ratio (%)	51	54	56	56	53	60	55	54
Return on equity (%)	6	6	7	7	5	7	5	7
Return on total capital (%)	3	4	4	5	3	4	3	4
Return on capital employed (%)	5	5	4	6	4	5	3	5
Net debt (SEK m)	1,553	1,061	955	780	974	460	633	877
Shares								
Average share price (SEK)	77.29	80.50	88.47	79.61	94.88	125.14	145.12	141.94
Share price at end of period (SEK)	73.00	78.00	87.90	94.80	70.10	126.00	155.50	140.80
Highest share price (SEK)	82.40	91.95	96.05	96.20	128.30	153.00	160.00	157.00
Lowest share price (SEK)	72.85	73.10	79.25	63.05	63.35	104.30	127.10	120.40
Number of shareholders at end of period	42,847	43,474	41,056	42,237	41,492	36,771	35,156	30,878
Number of shares outstanding at end of period (million)	138.4	138.4	138.4	138.4	138.4	138.4	138.4	138.4
Number of shares at end of period (million)	144.5	144.5	144.5	143.1	143.1	143.1	143.1	139.6
Personnel								
Average number of employees (accumulated)	1,878	1,848	1,661	1,595	1,624	1,554	1,584	1,610
Number of employees at end of period	1,887	1,902	1,821	1,680	1,766	1,631	1,639	1,692

CUSTOMERS

	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2015 Q3
Registered customers (000's)	12,381	12,159	10,101	9,676	9,489	9,244	9,022	8,805
Active customers (000's)	551	607	573	515	563	538	526	492

CUSTOMER DEPOSITS

	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2015 Q3
Customer deposits (SEK m)	3,240.0	3,024.1	3,090.8	2,737.1	2,624.1	2,630.7	2,605.0	2,439.8
Customer deposits, all gaming solutions (SEK m)	4,056.3	3,789.2	3,947.1	3,521.2	3,472.8	3,516.6	3,471.4	3,237.7

SPORTSBOOK MARGIN

	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2015 Q3
Gross turnover, all gaming solutions (SEK m)	5,755.0	6,006.1	6,117.7	5,548.0	6,008.7	6,717.7	6,428.8	5,506.1
of which gross turnover live betting (SEK m)	3,982.2	4,353.2	4,492.0	4,216.9	4,326.1	5,029.4	4,715.1	4,294.9
Margin after free bets (%)	6.4	6.1	6.6	7.6	5.7	6.1	7.1	7.3
Revenue (SEK m)	255.6	250.3	264.4	300.2	223.0	292.8	312.6	276.0
Gross margin, Sportsbook (%) ¹⁾	4.4	4.2	4.3	5.4	3.7	4.4	4.9	5.0

¹⁾ Margin after allocated costs

REVENUE BY PRODUCT

	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2015 Q3
Revenue (SEK m)								
Casino	876.6	822.9	823.7	731.8	683.2	669.1	684.0	656.8
Sportsbook	255.6	250.3	264.4	300.2	223.0	292.8	312.6	276.0
Other products	45.3	28.8	30.4	31.3	29.2	38.2	44.5	40.1
Total	1,177.5	1,102.0	1,118.5	1,063.3	935.4	1,000.1	1,041.1	972.9

	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2015 Q3
Share of total revenue (%)								
Casino	74	75	74	69	73	67	66	68
Sportsbook	22	23	24	28	24	29	30	28
Other products	4	3	3	3	3	4	4	4

	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2015 Q3
Growth, compared with previous quarter (%)								
Casino	7	-0	13	7	2	-2	4	6
Sportsbook	2	-5	-12	35	-24	-6	13	34
Other products	57	-5	-3	7	-24	-14	11	10
Total	7	-1	5	14	-6	-4	7	13

	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2015 Q3
Growth, compared with same period previous year (%)								
Casino	28	23	20	11	11	14	18	25
Sportsbook	15	-15	-15	9	8	34	62	24
Other products	55	-25	-32	-22	-20	-15	7	11
Total	26	10	7	9	9	18	28	24

REVENUE BY REGION

	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2015 Q3
Sportsbook (SEK m)								
Nordics	118.2	106.3	118.0	152.5	80.0	112.0	113.0	91.5
Western Europe	34.4	24.8	11.5	15.6	7.6	41.6	51.1	43.2
Central & Eastern Europe and Central Asia	90.7	106.8	127.1	119.1	128.3	131.8	145.1	136.3
Other	12.3	12.4	7.8	13.0	7.1	7.4	3.4	4.9
Total	255.6	250.3	264.4	300.2	223.0	292.8	312.6	276.0
	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2015 Q3
Other products - casino and other games (SEK m)								
Nordics	440.5	424.0	438.9	402.1	355.2	355.1	362.4	361.7
Western Europe	317.4	256.8	244.3	202.7	200.8	202.1	192.3	194.9
Central & Eastern Europe and Central Asia	135.8	145.9	152.0	139.7	138.8	136.3	159.4	126.7
Other	28.3	25.0	18.9	18.6	17.6	13.9	14.4	13.6
Total	921.9	851.7	854.1	763.1	712.4	707.4	728.5	696.9
	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2015 Q3
Total per region (SEK m)								
Nordics	558.7	530.3	556.9	554.6	435.1	467.1	475.5	453.3
Western Europe	351.8	281.6	255.9	218.3	208.4	243.7	243.3	238.1
Central & Eastern Europe and Central Asia	226.5	252.7	279.1	258.7	267.2	268.1	304.5	263.0
Other	40.6	37.3	26.6	31.6	24.7	21.2	17.9	18.5
Total	1,177.5	1,102.0	1,118.5	1,063.3	935.4	1,000.1	1,041.1	972.9
	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2015 Q3
Share per region (%)								
Nordics	47	48	50	52	47	47	46	47
Western Europe	30	26	23	21	22	24	23	24
Central & Eastern Europe and Central Asia	19	23	25	24	29	27	29	27
Other	3	3	2	3	3	2	2	2
	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2015 Q3
Growth, compared with previous quarter (%)								
Nordics	5	-5	0	27	-7	-2	5	4
Western Europe	25	10	17	5	-14	0	2	18
Central & Eastern Europe and Central Asia	-10	-9	8	-3	-0	-12	16	34
Other	9	40	-16	28	16	19	-3	-23
	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2015 Q3
Growth, compared with same period previous year (%)								
Nordics	28	14	17	22	-1	7	6	1
Western Europe	69	16	5	-8	3	45	42	66
Central & Eastern Europe and Central Asia	-15	-6	-8	-2	36	18	70	49
Other	64	76	49	71	3	21	24	20

APPENDIX

ACCOUNTING POLICIES

Betsson complies with IFRS standards and interpretations (IFRIC) as adopted by the EU. This Interim Report has been prepared in accordance with IAS 34, Interim Financial Reporting. The Parent Company's financial statements have been prepared in accordance with RFR 2.

The accounting policies applied are consistent with those presented in the Annual Report for 2016. Detailed information about the Group's accounting and valuation principles can be found in the Annual Report for 2016 (Note 2), which is available on www.betssonab.com or at the Company's head office.

This interim report refers to certain key performance indicators which Betsson and others use when evaluating the performance of Betsson. These are referred to as alternative performance measures (APMs) and are not defined under IFRS. The figures give management and investors important information to enable them to fully analyse the Betsson business and trends. The APMs are not meant to replace but to complement the performance measures defined under IFRS.

RISK

In the majority of national markets, gambling is regulated by the law, and all such operations, in principle, require permits. Betsson operates its businesses under gaming licences in Malta, as well as in Denmark, Estonia, Georgia, Spain, Germany, Ireland, Italy, Latvia, Lithuania and the UK. Political decisions, new interpretations of laws and new regulations can significantly affect Betsson's earnings and financial position since operations are subject to licences.

Pressure continues to be put on EU countries to adapt their national legislation to comply with applicable EU law, and a number of countries have announced that they are working on new legislation in line with EU requirements. It is still unclear when such new legislation will be introduced in Betsson's major markets, but when this does take place, Betsson will have more opportunities for marketing and market presence. Furthermore, it is unclear if there will be requirements, in relation to receiving a licence or in general at the time of regulating or re-regulating of markets, demanding the settlement of any form of historic obligation and also the size of any such obligation.

Since 2010, Norway has implemented a prohibition against the execution of payments for gaming arranged outside Norway. This negatively affects, banks in particular, as providing redemption services in conjunction with the payment of gaming via credit, and payment cards with foreign gaming companies is prohibited. Betsson's assessment is that this legislation is in conflict with EU law.

Sweden has taken a step towards liberalisation and in the official report on the re-regulation of the gaming market, a path for re-regulation has been proposed.

The Dutch gambling framework is not compliant with EU law. That is why infringements were initiated by the EU Commission in 2006. As the re-regulation of the online gaming market in the Netherlands has not moved forward as promised by the Netherlands, Betsson has filed an official complaint with the EU Commission asking it to re-open infringement proceedings against the Netherlands. There is a possibility that there will not be a re-regulation of the Dutch gaming market until after the next election in 2021.

In 2007, Turkey introduced legislation against internet gaming that did not fall within the local regulatory framework and it reinforced parts of this legislation in 2013. A Betsson associate, which has its own gaming licence in Malta and is owned and managed separately, accepts that Turkish gamblers bet under this licence. Pursuant to the legal situation described above, income originating from Turkey can be regarded as comprising a higher operational risk than income from other markets

Seasonal variations can significantly affect the Company's operations during periods of lower gaming activity and fluctuating results in different sporting events. Economic fluctu-

ations have not affected the operations to any significant degree. Betsson is an international company with operations that are constantly exposed to various currencies. Changes in exchange rates affect Group income.

For a more detailed description of the risks mentioned above and other risks and uncertainties, please refer to the Annual Report for 2016.

CURRENCY EXCHANGE RATES

The exchange rates below are applied in the interim report.

Income Statement (average year-to-date rate)

	2017	2016	Δ
EUR/SEK	9.5923	9.2992	+3.2%
TRY/SEK	2.4357	2.8520	-14.6%
GEL/SEK	3.5399	3.5865	-1.3%
NOK/SEK	1.0459	0.9870	+6.0%

Balance sheet (closing rate)

	30/06/2017	30/06/2016	Δ
EUR/SEK	9.6734	9.4164	+2.7%
TRY/SEK	2.3989	2.9257	-18.0%
GEL/SEK	3.5714	3.6550	-2.3%
NOK/SEK	1.0099	1.0081	+0.2%

TRANSACTIONS WITH RELATED PARTIES

No transactions took place between Betsson and related parties that significantly affected Betsson's financial position and performance in the quarter.

GLOSSARY AND DEFINITIONS

Revenues: Revenues from gaming business are reported after payment/payout of players' winnings, with deductions for jackpot contributions, loyalty programmes and bonuses and other operating income. Revenues from Sportsbook are also reduced by gaming taxes and licence charges to game suppliers. Licence charges from invoicing for the maintenance of technical platforms to external game suppliers.

Gross profit: Revenues, as above, less commission to partners and affiliates, gaming taxes, licensing fees to games suppliers, payments to payment suppliers and fraud (unapproved payments).

Betting duties: Includes point of consumption tax attributable to local licences to operate gaming. Fixed fees for gaming licences are not included.

Operational expenses: Includes expenses for marketing, personnel, other external expenses, amortisation and depreciation, capitalized development costs and other operating income/expenses.

EBITDA margin: Operating income plus depreciation as percent of revenue.

Operating margin: Operating income after financial items as a percentage of revenue for the period.

Profit margin: Income after financial items as a percentage of revenue for the period. **Equity/assets ratio:** Equity at the end of the period as a percentage of the balance sheet total at the end of the period.

Net debt: Financial liabilities (bond, bank and remaining purchase considerations from acquisitions) less Cash and cash equivalents.

Number of employees: Number of employees on last month's payroll.

Organic: Excluding contribution from acquired entities over the past 12 months.

Average number of employees: Number of employees expressed as full-time equivalent (full year's work).

Number of shares outstanding: Number of shares outstanding (excluding repurchased shares) at the end of the period.

Average number of shares outstanding: Weighted average number of shares outstanding during the period.

Earnings per share: Income after tax in relation to the average number of shares outstanding during the period.

Earnings per share after dilution: Income after tax, divided by the weighted average number of shares outstanding during the year, adjusted for additional number of shares for options with dilutive effect.

Equity per share: Equity as a percentage of the number of shares outstanding at the end of the period.

Dividend per share: Actual/proposed dividend. Also includes share redemption programmes.

Number of shareholders: Number of direct shareholders and shareholders listed through a nominee shareholder registered in the shareholder register kept by Euroclear Sweden AB

Active customers: Number of customers who have played on any of Betsson's gaming sites in the past three months, without any deposit requirement.

Deposits: Customers' deposits to gaming accounts.

All gaming solutions: in the term All Betsson's gaming solutions, KPIs attributable to Betsson are consolidated with KPIs attributable to B2B associates.

2017/Q2



CALENDAR

January-September and Q3 2017:
Year-end report and Q4 2017:

20 October 2017
8 February 2018

INFORMATION ON PRESENTATION

Betsson invites media, analysts and investors to Betsson's office at Regeringsgatan 28, Stockholm, Sweden, on Wednesday, 19 July, 2017 at 09:00 CET. The presentation will also be available via webcast and conference call. CEO and President Ulrik Bengtsson will present the report. The presentation will be held in English and followed by a questions and answers session.

To participate by phone, please dial:

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To watch the webcast of the presentation, visit www.betssonab.com or
<http://edge.media-server.com/m/p/pfzjeujt>



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