DIBS Interim report January – September 2008



Functional, secure and innovative payments

Interim report, January I – September 30, 2008

DIBS Payment Services is the Nordic region's leading supplier of functional, secure and innovative payment services for trading via the Internet. DIBS manages transactions for more than 8, 500 customers on a daily basis and has offices in Stockholm, Gothenburg, Oslo and Copenhagen. DIBS is traded on the First North exchange, with HQ Bank as its Certified Advisor.

Condensed January – September 2008

- Net sales SEK 75.7 M (57.2) + 32%
- Operating profit SEK 17.7 M (14.9) + 19%
- Profit after tax SEK 18.3 M (15.2) + 20%
- Profit after tax per share SEK 1.94 (1.62) + 20%
- Portion of recurring income 90 % (90%)
- Net inflow of customers | 394 (| 257) + | 1%
- Customers' collective transaction value SEK 39.1 billion (28.8) + 36%
- Number of customers 8 564 (6 6 1 9) + 29%
- EBITDA SEK 21.1 M (16.5) + 28%
- EBITDA margin 28% (29%)

"The structural growth of e-commerce in the Nordic region continues, despite reports on consumers decreasing confidence in general economic growth. As the undisputed market leader in payment services for e-commerce, DIBS continues to combine high growth, high profitability and strong positive cash flow," says Eric Wallin, CEO of DIBS."

CEO's comments

Steady growth, increasing margins and strong cash flow

I am happy once again to prove the stability of our business model with high growth, high profitability and strong positive cash flow. Our revenues for Q3 2008 amount to SEK 26.2 million and EBITDA to SEK 7.8 million, an increase of 26 respectively 24 percent since last year. EBITDA margin for the period is 30 percent. Cash flow from operations continue to be strong and amounted to SEK 9.5 million.

Since last year the total transaction value in our system has increased with 31 percent to approximately SEK 13.4 billion. We attracted 416 new customers in Q3 and we are currently serving more than 8 500 customers. As 91% of our total revenues are recurring, the commercial indicators clearly prove our ability to secure a strong inflow of new customers as well as maintaining long-term customer relations.

As the leading provider of internet payment services in the Nordic region DIBS achieves its strong growth and high profitability quarter after quarter. This gives economies of scale in operations, product development and administration, thereby strengthening our operating margins.

Condensed July – September 2008

- Net sales SEK 26.2 M (20.8) + 26%
- Operating profit SEK 6.7 M (5.6) + 20%
- Profit after tax SEK 7.0 M (5.9) + 19%
- Profit after tax per share SEK 0.74 (0.63) + 17%
- Portion of recurring income 91% (89%)
- Net inflow of customers 416 (375) + 11%
- Customers' collective transaction value SEK 13.4 billion (10.2) + 31%
- EBITDA SEK 7.8 M (6.3) + 24%
- EBITDA margin 30% (30%)

Our customers expect us to continuously offer new functionality and payment methods to contribute to their future growth. Consequently we continuously try to improve our gateway connections and service offerings. DIBS has also the resources to comply with necessary security certifications and to achieve a general high technical standard. We are therefore well positioned to take advantage of the structural shift towards increasing online commerce.

The overall business risk of DIBS remains very low, as our business model relies on recurring revenues, as revenues are well diversified across different industries and as no single customer accounts for more than 2% of revenues. It is also worth noting that DIBS is a pure data processing company and consequently takes no financial transaction risk.

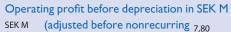
DIBS has reported record sales and an increasing customer base every quarter since it was listed on First North. Third quarter is no exception. DIBS has strong opportunities to further broaden its product portfolio, to attract new customers and to pursue possible acquisitions. Based on our strong position in a structurally growing market, I view DIBS' continued development as very positive.

Stockholm, November 7, 2008

Eric Wallin, CEO

Comments on the report period







Q1 2008 Shops e-commerce volume in SEK billions

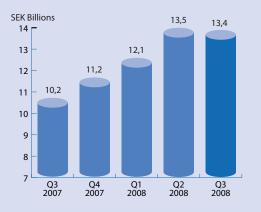
Q3 2008

Q2 2008

4000

Q3 2007

Q4 2007



January - September 2008

Revenues for the period amount to SEK 75.7 M, up 32% compared to the year-earlier period. Third quarter, sales amount to SEK 26.2 M. The portion of recurring revenues amounted to 91% of total revenues, corresponding to SEK 68.3 M, distributed as 59% subscription revenues and 41% transaction revenues.

Net sales per geographic market

	Sales	Sales	As a %	As a %
Country	2008 Jan-Sep	2007	2008 Jan-Sep	2007
Sweden	37 384	43 9	50%	53%
Denmark	29 059	32 575	38%	40%
Norway	9 273	5 244	12%	6%
Total	75 716	80 938	100%	100%

EBITDA for the period amount to SEK 21.1 M, up 28% compared to the year-earlier period. Operating profit amounted to SEK 18.3 M after depreciation of goodwill (SEK1.2 M) and with no cost for product development activated in the balance sheet.

Operating expenses totaled to SEK 19.5 M for the third quarter maintaining a flat development in operating expenses in general from Q2 to Q3. Personnel expenses amount to 63%.

The net inflow of customers totaled | 394 (| 257), up 11% compared with the year-earlier period.



Liquidity and investments

The Group's cash assets amount to SEK 60.1 M (25.4) as of 30 September, corresponding a cash ration of SEK 6.4 per share. Cash flow from operating activities for the third quarter totaled SEK 9.5 M (3.2) and SEK 17.9 M (9.2) for the entire period. The equity/assets ratio was 76% (80) at the end of the period. The Group's investments pertain primarily to the purchase of hardware and software.

Shareholders' equity

At the end of the period, the Group's shareholders' equity amounted to SEK 94,2 M. In total, shareholders' equity increased by SEK 18,7 M during the period.

One of three option schemes issued during 2005 expired in September. The program totaled 44 000 shares with a execise price of SEK 25.50. Due to the relative small number of options and to save execution cost the board decided to buy back the options from employees at a shareprice of 35.84 corresponding VWAP in the excecise period 1-19 sep. The total cost amounted to SEK 0.5 M.

Employees

At the end of third quarter, the number of employees totaled 57 (63). 31 employees in sales, support and marketing, 17 in operations and technical development and 9 in management, administration and accounting.

Tax

For the period and for the third quarter, the effective tax rate was approximately 10%. After adjustment for deferred tax assets, the Group had approximately SEK 16 M in non-capitalized loss carryforwards at the end of the period.

Outlook

DIBS continues to grow on all main indicators, with transaction value in level with the second quarter.

Under the prevailing uncertain situation in the consumer market, we cannot eliminate the possibility for a negative impact on existing growth rates in the e-commerce market. However, we don't expect the same negative impact as in the retail market. The reason can be explained by a structural change in consumer behaviour towards online shopping. Further, we expect more merchants to consider e-commerce being a supplementary and cost effective sales channel.

Our strategy is to further strengthen our role as market leader in the Nordics and to follow our existing e-merchants in their geographical expansion.

DIBS has several growth opportunities via a broadened product portfolio, new customers and possible acquisitions within our geographical market and value chain. 6

Consolidated income statement (summary)

(SEK 000s)	2008 Jul-Sep	2007 Jul-Sep	2008 Jan-Sep	2007 Jan-Sep	2007 Jan-Dec
(SEK 0005)	Jui-Sep	Jui-sep	Jan-Sep	Jan-Sep	Jan-Dec
Net Sales	26 210	20 849	75 716	57 181	80 938
Operating expenses					
Other external expenses	- 5 734	-4218	-18115	-12813	-19901
Personnel costs	- 12 631	- 10 377	- 36 434	- 27 820	- 40 052
Depreciation	- 22	- 620	- 3 476	- 696	- 3 006
Other operating expenses	-	-9	-	-	-
Operating profit	6 723	5 643	17 691	14 852	17 979
Net interest income and similar items	267	229	579	360	514
Profit after financial items	6 990	5 872	18 269	15 212	18 493
Tax on profit for the period	-	-	-	-	2 394
Profit for the period ¹⁾	6 990	5 872	18 269	15 212	20 887
Earnings per share, SEK	0.74	0.63	1.94	1.71	2.31
Earnings per share after dilution, SEK ¹⁾	0.74		1.93		2.29
Average number of shares, thousands	9400	9 394	9400	8919	9041
Average number of shares after dilutions, thousands ⁽¹⁾ (VWAP) for the full-year is calculated during the listing period, June 18 – December 31, 2007.	9460		9460		9119

Consolidated balance sheet (summary)

(SEK 000s)	2008 30 Sep	2007 30 Sep	2007 31 December
Intagible fixed assets	22 888	25 314	24 947
Tangible fixed assets	2 591	3 936	3 806
Financial fixed assets	295	295	295
Deferred tax assets	20 619	16 795	19 057
Total fixed assets	46 394	45 990	48 105
Current receivables	8919	7310	7 039
Other current receivables	9 034	7 444	7813
Cash and bank	60 074	25 398	42 591
Total current assets	78 027	40 52	57 443
Total assets	124 420	86 492	105 548
Shareholders' equity	94 74	69 263	75 484
Deferred tax liabilities	447	-	627
Long-term liabilities	10 300	-	12 000
Current liabilities	18 498	17 229	16 437
Total shareholders' equity and liabilities	124 420	86 492	105 548

Consolidated cash-flow statement (summary)

(SEK 000s)	2008 Jul-Sep	2007 Jul-Sep	2008 Jan-Sep	2007 Jan-Sep	2007 Jan-Dec
Cash flow from operating activities before					
change in working capital	7 877	5 097	21 0 1 6	15512	19 041
Increase (-)/ Decrease (+) of operating recievables	- 424	-899	-3 101	-4 258	-4 356
Increase (-)/ Decrease (+) of operating liabilities	3 065	-949	-40	-2 083	-671
Cash flow from operating activities	9518	3 249	17 875	9 7	14014
Investing activities 1)	252	-23 561	-249	-25 238	-25 442
Financing activities ²⁾	-	-195	-	23 495	35 802
Cash flow for the period	9 770	-20 507	17 626	7 428	24 374
Cash and cash equivalents at the beginning of the period	50 464	46 226	42 591	18317	18 3 17
Exchange-rate difference	-160	-321	-143	-347	-100
Cash and cash equivalents at the end of the period	60 074	25 398	60 074	25 398	42 591

1)Including purchase consideration for companies of 23,998 of which a cash balance of 1,180 for the full-year 2007.

2) Of which, new share issue accounted for 23,802 and external borrowing for 12,000 for full year 2007.

Consolidated key ratio

	2008 Jul-Sep	2007 Jul-Sep	2008 Jan-Sep	2007 Jan-Sep	2007 Jan-Dec
Sales growth, %	26	32	32	26	30
Operating margin, %	26	27	23	26	22
Profit margin, %	27	28	24	27	26
Equity/assets ratio, %	76	80	76	80	72

Change in shareholders' equity for the Group

Shareholders' equity at the end of the period	94 74	69 263	94 174	69 263	75 484
Net profit for the period	6 990	5 872	18 269	15212	20 887
Other settlements	426	-352	421	-287	148
New share issue	-	-	-	23 69 1	23 802
Shareholders' equity at the beginning of the period	86 758	63 743	75 484	30 647	30 647
(SEK 000s)	2008 Jul-Sep	2007 Jul-Sep	2008 Jan-Sep	2007 Jan-Sep	2007 Jan-Dec

Consolidated data per share

(SEK 000s)	2008 Jul-Sep	2007 Jul-Sep	2008 Jan-Sep	2007 Jan-Sep	2007 Jan-Dec
Earnings per share, SEK	0.74	0.63	1.94	1.71	2.31
Shareholders' equity per share, SEK	10.02	7.37	10.02	7.37	8.03
Numbers of share on closing day	9 400 000	9 400 000	9 400 000	9 400 000	9 400 000

Consolidated quarterly data

	Year	QI	Q2	Q3	Q4	Full-year
Net sales (SEK M)	2008	24.52	24.98	26.21		
	2007	17.77	18.56	20.85	23.76	80.94
EBITDA (SEK M) ¹⁾	2008	6.44	6.88	7.85		
	2007	4.70	5.60	6.25	5.74	22.29
EBITDA margin ¹⁾	2008	26	28	30		
	2007	26	30	30	24	28
Operating profit (SEK M) ¹⁾	2008	5.22	5.75	6.72		
	2007	4.18	5.04	5.64	4.48	19.28
Earnings per share (SEK) ¹⁾	2008	0.57	0.63	0.74		
	2007	0.49	0.59	0.63	0.74	2.31
Average number of shares (thousands)	2008	9 400	9 400	9 400		
	2007	8 623	8 782	9 394	9 400	9 04 1
Number of employees at the end of the period	2008	55	56	57		
	2007	44	45	63	56	56

1) Before nonrecurring expenses from the acquisition of Cardia, SEK 1.3 M for the full-year 2007.

Accounting principles

This interim report has been prepared in accordance with the requirements of the Swedish Accounting Standards Board's general recommendations BFNAR 2007:1 "Voluntary Interim Reporting". The principles applied in this report are the same as those described in the 2007 Annual Report.

This report has not been reviewed by the company's auditors.

Stockholm, November 7, 2008

Eric Wallin, CEO

Forthcoming report dates

February 19, 2009: Year-end report for the 2008 fiscal year

For further information, please contact:

Eric Wallin, CEO +46 (0)8-527 525 54 Lars Friis, CFO +46 (0)8-527 525 56

Corp. Reg. no: 556500 - 5021

The original version of the interim report is written in Swedish. In the event of a difference in meaning between the Swedish and the English version, the original Swedish version shall prevail.



DIBS Payment Services AB (publ.)

Stockholm

Kungsbroplan 2 Box 165 SE-101 23 Stockholm Sweden Tel: +46 (8) 527 525 00 www.dibs.se

Gothenburg

Lilla Torget SE-411 18 Gothenburg Sweden Tel: +46 (31) 600 800 www.dibs.se

Copenhagen

Gl. Lundtoftevej 1B DK- 2800 Lyngby Denmark Tel: +45 7020 3077 www.dibs.dk

Oslo

Hovfaret 4A NO-0218 Oslo Norway Tel: +47 2155 4400 www.dibs.no