

## Interim Report for the period 1 January – 30 September 2013

ALL FIGURES IN THIS REPORT ARE EXPRESSED IN SEK. FIGURES IN PARENTHESES REFER TO THE CORRESPONDING FIGURES FOR THE PREVIOUS YEAR, UNLESS STATED OTHERWISE. THIS INFORMATION APPLIES TO THE GROUP, UNLESS STATED OTHERWISE.

### Third quarter revenues increased organically by 14 percent

#### Third quarter

- Revenues amounted to SEK 603.4 (529.5) million, equivalent to an increase of 14 percent.
- Operating income amounted to SEK 152.2 (120.0) million which is equivalent to an increase of 27 percent.
- Gross turnover in the Sportsbook including all gaming solutions amounted to SEK 3,398.5 (2,921.4) million, which is equivalent to an increase of 16 percent.
- Income before tax amounted to SEK 149.7 (118.3) million which is equivalent to an increase of 27 percent.
- Net income amounted to SEK 140.9 (113.1) million, corresponding to SEK 3.25 (2.68) per share.
- Deposits in all of Betsson's gaming solutions amounted to SEK 2,027.1 (1,756.0) million which is equivalent to an increase of 15 percent.
- The employee stock option program providing key personnel with the possibility to purchase shares at the end of the first quarter 2015 at SEK 214.62 per share, was launched during the quarter and was nearly fully subscribed.

#### Interim report

- Revenues increased by 17 percent to SEK 1,821.3 (1,551.8) million.
- Operating income amounted to SEK 451.1 (403.6) million.
- Income before taxes amounted to SEK 447.2 (400.2) million.
- Net income amounted to SEK 421.1 (380.8) million, corresponding to SEK 9.74 (9.09) per share.

#### Key Performance Indicators

	Q3 2013	Q3 2012	YTD 2013	YTD 2012	Full year 2012
<b>Totals</b>					
Revenues	603.4	529.5	1 821.3	1 551.8	2 203.7
Gross profit	502.5	438.7	1 525.3	1 304.9	1 853.7
of which Sportsbook	140.7	89.8	431.3	266.5	432.0
Operating income	152.2	120.0	451.1	403.6	577.1
Liquid funds	417.8	250.1	417.8	250.1	467.2
Active Customers (thousands)	423.6	463.6	423.6	463.6	520.4
Registered Costumers (thousands)	6 623.2	5 633.7	6 623.2	5 633.7	5 777.9
Customer Deposits	1 493.8	1 362.9	4 450.9	3 506.0	5 092.4
Customer Deposits, all gaming solutions	2 027.1	1 756.0	6 158.8	4 734.1	6 888.9
<b>B2C Sportsbook 1)</b>					
Gross Turnover Sportsbook	1 234.1	1 087.8	3 594.7	2 464.4	3 735.5
Gross Margin Sportsbook	6.6%	4.2%	6.2%	4.8%	5.7%
Gross profit Sportsbook	81.8	45.5	223.5	119.5	214.5
<b>B2B Sportsbook</b>					
Gross Turnover Sportsbook	2 164.4	1 833.6	7 125.0	5 845.9	8 357.6
Gross Margin Sportsbook	2.7%	2.4%	2.9%	2.5%	2.6%
Gross profit Sportsbook	58.9	44.3	207.8	147.0	217.5

1) Refers to margin after allocated expenses. The margin after free bets in all gaming solutions amounted to 6.9 (5.5) percent.

#### Betsson continues to take market shares

"An organic growth of 14 percent and the highest operatingmargin amongst comparable companies shows that Betsson is, still, the most strategically effective company in the industry. This applies to both the capacity to acquire companies and to utilise operational opportunities based on among others Betsson's multibrand strategy. Betsson sees continued good possibilities, in both the short and long term, for both local and internationally regulated markets. At the same time, the operational subsidiaries are optimising their operations through investments in individual realtime communication with customers, digital marketing and world class mobile offerings. All together, this will contribute to our continued growth", states Magnus Silfverberg, President and CEO of Betsson.

#### Presentation of the Interim Report

Today, Friday 25 October, at 09:00 CET, Betsson's CEO, Magnus Silfverberg, will present the Interim Report from Betsson's office at Regeringsgatan 28, and through webcast at [www.betssonab.com](http://www.betssonab.com) or <http://storm.zoomvisionmamato.com/player/betsson/objects/4zbxct90> or by phone on +46 (0)8 505 564 74 (Sweden) or +44 (0)203 364 53 74 (UK). The presentation will be in English and will be followed by a question and answer session.

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

## Third quarter of 2013

Group revenue amounted to SEK 603.4 (529.5) million. Gross profit amounted to SEK 502.5 (438.7) million. Operating income amounted to SEK 152.2 (120.0) million and the operating margin amounted to 25.2 (22.7) percent. Group income before tax amounted to SEK 149.7 (118.3) million and net income amounted to SEK 140.9 (113.1) million, equivalent to SEK 3.25 (2.68) per share.

Revenues were negatively impacted by SEK 12.8 million in unfavorable exchange rate fluctuations compared with the exchange rates applied in the previous year. This results, however, in a marginally negative effect on operating income due to the fact that an equivalent revaluation of expenses offsets the negative impact. Organic growth adjusted for currency movements amounted to 16 percent.

Marketing expenses amounted to SEK 167.5 (152.4) million, representing an increase of 10 percent. Management believes that there are opportunities for growth, in the short and the long term, in both locally, as well as certain internationally regulated markets. To materialize these opportunities requires continued investments in marketing which in the fourth quarter is expected to exceed previous quarters this year.

Personnel costs amounted to SEK 89.9 (73.5) million, representing an increase of 22 percent. The increase compared with the previous year refers to newly recruited personnel to create and meet future growth.

Other external expenses amounted to SEK 88.4 (80.4) million. This represents an increase of 10 percent. The increase is due to an expanded Live Stream offering, increased use of real-time results in Sportbook and an intensified focus on search engine optimization. At the same time, expenses for consultants are decreasing according to plan.

Capitalisation of development costs amounted to SEK 19.2 (17.9) million. Betsson's operating subsidiaries continuously invest in improvements in their offerings to end users and partners, thus creating the conditions for growth. Furthermore, the company invests in migrating more gaming sites to the single technology platform, which will contribute to cost-effective operations in the long term.

## Interim period January – September 2013

Group revenue amounted to SEK 1,821.3 (1,551.8) million, representing an increase of 17 percent. Gross profit amounted to SEK 1,525.3 (1,304.9) million, representing an increase of 17 percent. Operating income increased to SEK 451.1 (403.6) million and operating margin amounted to 24.8 (26.0) percent. Income before tax increased to SEK 447.2 (400.2) million and net income increased to SEK 421.1 (380.0) million, equivalent to SEK 9.74 (9.09) per share.

## Acquisition of the Automaten brands

The acquisition of the Automaten brands has had an impact on the accounting since the first of April 2013. Since that date and up until the end of September, the acquisition contributed to the Group's operating income by SEK 21.3 million through the net effect of savings of revenue share

to Cherry based on the previous contract and the additional marketing from Betsson.

Had the Automaten brands been owned during the entire interim period, Betsson's operating income would have been SEK 463.3 million, instead of SEK 451.1 million, excluding acquisition costs of SEK 0.5 million in the first quarter.

If Betsson had owned the Automaten brands throughout the interim period, the acquisition would hence have contributed to operating income by SEK 33.4 million.

## Operations

Betsson offers, through subsidiaries on Malta, Internet gaming to end customers via partner cooperations and its own gaming portals. Betsson also offers systems solutions to other operators.

Betsson believes that, from a risk perspective, there are sustainable values in both newly, locally regulated markets and in the previously internationally regulated markets. Selected internationally regulated markets will comprise, in the foreseeable future, a basis for strong growth and profitability.

Betsson's multi-brand strategy allows for brand-specific development in different customer segments while creating favorable conditions for acquisitions. Through this strategy an even larger portion of the players' total activity can be captured as they tend to use several different brands. In an effort to optimize this strategy, Casinoeuro.dk recently changed its name to the newly acquired domain, Casino.dk. The next step is to migrate Danmarksautomaten.dk to the same domain. Casino.dk is considered to have substantial potential in Denmark and the initial effect of the name change has been positive. The Danish market remains stable, with growth in line with Betsson's overall growth.

The high level of growth in the use of Smartphones contributes to a strong demand for mobile gaming solutions. Betsson has developed and provides, today, one of the market's broadest and most advanced gaming solutions for Smartphones. Mobile revenues comprised, during the third quarter, 12 percent of all revenues, which is an increase from 9 percent in the previous quarter. Furthermore, the mobile share of Sportsbook's gross revenue amounted to 22 percent. The strong growth in the third quarter is explained mainly by a strong growth in Betsson.com, as a result of the brand launching a new mobile solution.

Betsson's operations in Italy continue to grow strongly, even if the business is still relatively small.

## B2C – Third quarter

Gross revenue for B2C in the third quarter amounted to SEK 397.6 (317.9) million, an increase of 25 percent. The Automaten brands have been included in B2C since the first of April, and prior to that included under B2B, and contributed with SEK 35.8 million during the third quarter. Excluding the effects from the acquisition of Automaten brands, gross profit grew by 14 percent organically, which means that Betsson is gaining market shares in the B2C segment.

During the third quarter, the Nordic Region comprised 85 (80) percent of the segment, while EU outside Nordic Region represented 14 (18) percent. An important explanation as to why the Nordic countries are increasing in importance is the fact that the Automaten brands are now included. Excluded the Automaten brands, the B2C-segment in Nordic had an adjusted growth of 20 percent, which shows that Betsson takes market shares in Casino and Sportsbetting on Betsson's core markets.

## B2B – Third quarter

Gross profit from B2B amounted to SEK 104.9 (120.8) million. The Automaten brands were previously reported in B2B but since the first of April they are included in B2C, and contributed to that segment with SEK 35.8 million. Adjusted for this effect the B2B-segment grows with 16 percent compared with previous year. The underlying activity, spread among a number of partnerships, is steadily increased. Gross turnover in sportsbook amounted to SEK 2,164.4 (1,833.6) million, which is equivalent to a growth of 18 percent. This implies that Betsson is also gaining market share within the B2B segment.

Betsson continues to provide technological development for a Chinese company involved in a joint venture with a state owned company, as regards Internet-based lotteries. The objective is to create a technological solution that may be used in case the Chinese market is re-regulated. During the third quarter, certain live tests were conducted on the site [www.kufa88.com](http://www.kufa88.com). The tests have been successful and the site is considered to be one of the most modern lottery sites in China. Betsson has a positive outlook on the future possibilities in China.

Due to a lack of profitability, Betsson has chosen to terminate the cooperation with Arsenal football club. This will result in a slight positive effect on Betsson's results. Other activities on the British market are developing strongly, with growth seen in every quarter during the last twelve months.

## Products

Gross profit in Casino during the third quarter amounted to SEK 329.6 (301.7) million, representing 66 (69) percent of the Group's total gross profit. Organic growth of 9 percent from the comparable quarter last year, and 4 percent from the second quarter is a sign of Betsson's strength.

Gross turnover in Sportsbook, in all of Betsson's gaming solutions, amounted to SEK 3,398.5 (2,921.4) million, representing growth of 16 percent. This means that Betsson, also within Sportsbook, gain market shares in Betsson's core markets. Gross turnover in Live betting in Sportsbook, including all of Betsson's gaming solutions, was SEK 2,365.2 (1,910.9) million, equivalent to an increase of 24 percent. The margin after free bets in all of Betsson's gaming solutions in Sportsbook amounted to 6.9 (5.5) percent. Gross profit in Sportsbook during the quarter totalled SEK 140.7 (89.8) million, an increase of 57 percent. Gross profit in Sportsbook includes SEK 58.9 (44.3) million regarding licensing revenues and gaming

contributions to gross profit from B2B. Sportsbook's share of the Group's gross profit amounted to 28 (21) percent.

Gross profit in Poker during the quarter came in at SEK 21.2 (32.2) million. The decline is attributable to continued lower activity in poker networks, as well as that Betsson has terminated the co-operation with less profitable poker customers.

Gross profit in Other products amounted to SEK 10.7 (15.0) million during the third quarter.

## Customer deposits

During the third quarter, a total of SEK 1,493.8 (1,362.9) million was deposited. Deposits in all of Betsson's gaming solutions amounted to SEK 2,027.1 (1,756.9) million during the quarter.

## Customers

At the end of the quarter, the number of registered customers was 6.6 (5.6) million players. The number of active customers during the quarter amounted to 423,600 (463,600). The decrease from the previous year is primarily due to Betsson focusing on value-adding players rather than free play promotions. Active customers fluctuate between quarters due to executed marketing campaigns and seasonal patterns.

An active customer is defined as a customer who has played for cash during the last three months. This definition also includes players who have played on the basis of free of charge offerings.

## Equity

Equity in the Group amounted to SEK 1,827.8 (1,382.4) million, equivalent to SEK 42.08 (32.57) per share.

## Liquid funds and customer liabilities

At the end of the quarter, liquid funds totalled SEK 417.8 (250.1) million. Liabilities to credit institutions amounted to SEK 306.3 (396.4) million and unutilised credits totalled SEK 134.9 (72.1) million. During the quarter, SEK 39.6 million was amortised.

Customer liabilities, including the provision for accrued jackpots, amounted to SEK 304.4 (280.7) million. The Group's current receivables with payment providers referring to unsettled client payments amounted to 227.4 (213.9) million. According to the Maltese gaming authority's regulations, liquid funds and receivables from payment providers shall never be less than the customer liabilities including provision for accrued jackpots.

## Personnel

At the end of the quarter, there was a total of 815 (723) employees. The average number of employees during the quarter was 756 (527) in the Group, of which 505 (405) were employed in Malta.

In addition to these employees, the Group had, at the end of the quarter, 202 consultants employed on a full-time basis.

## Parent Company

The operations of the Parent Company, Betsson AB (publ), consist of the ownership and administration of shares in companies through which Betsson, itself or through partner co-operation, offers games to end users via the Internet. The Company provides and sells internal services to certain Group companies regarding finance, accounting and administration.

Turnover for the interim period amounted to SEK 7.6 (12.8) million and income before tax amounted to SEK 158.2 (211.8) million.

Liquid funds amounted to SEK 57.1 (70.1) million.

## Ownership structure

The Company's Class B shares are listed on the NASDAQ OMX NORDIC MID CAP LIST, (BETS). At the end of the period, the Company had 19,909 (16,195) shareholders. The largest owners (owners with more than 10 percent of votes) were Per Hamberg and company, with 5.8 percent of the capital and 19.3 percent of votes, the Knutsson family and company, with 5.7 percent of capital and 10.7 percent of votes and Rolf Lundström and company, with 3.6 percent of capital and 10.0 percent of votes.

## Claims for damages

In 2001, Betsson reported the Swedish Government to the Chancellor of Justice (JK) as the government had not notified its prohibition on prize and wheel of fortune games and also failed to apply reasonable transition regulations. This negligence has cost Betsson considerable sums. Betsson requested that the Chancellor of Justice investigate whether the state was liable for these losses. The Chancellor of Justice ruled, in 2003, that this was not the case. The reason for the decision was not clearly defined and Betsson has, therefore, sought external legal expertise in order to investigate the possibility of suing the state and claiming damages for breach of EU law. The findings of this study established that the Swedish state was, in fact, in the wrong when it failed to notify the 1997 legislative changes (Wheel of Fortune) under the provisions on technical regulations stipulated in Directive 98/34 EC. The ban is, consequently, void and cannot be applied to Betsson. The Swedish government has, in this context, been guilty of a breach of EU law. Based on this assessment, there are, consequently, good prospects for the success of a claim for damages regarding the 1997 amendments. This conclusion finds further support in recent rulings of the EU Court and Supreme Court. On 1 November 2006, Betsson filed a lawsuit against the Swedish state making a claim for damages of SEK 102 million, plus interest. In September 2010, the Stockholm District Court ruled against Betsson, in spite of the fact that the Court acknowledged the illegality of the ban. Betsson appealed the ruling to the Svea Court of Appeal, which granted leave to appeal. The Court of Appeal upheld the District Court's ruling in November 2011. Betsson appealed to the Swedish Supreme Court, but the Supreme Court announced in March 2013 that leave to appeal would not be granted. Parallel with making this attempt at an

appeal, Betsson has commenced proceedings by which it is directly petitioning the Swedish Supreme Court on, in principle, the same issue, but in a separate claim for damages from the Swedish Government. This claim is now being considered. The main proceedings at the Swedish Supreme Court are expected to be carried out late in the autumn of 2013. The ruling can be expected to be made in the winter of 2014. An eventual negative ruling would not generate any cost for Betsson.

## Outstanding shares

Betsson's holding of own shares amounts to 638 Class B shares, which were acquired during previous years at an average price of SEK 58.27 per share.

The total number of shares and votes in Betsson amounts to 43,433,003 (42,219,183) and 92,213,003 (90,999,183), respectively, of which 5,420,000 (5,420,000) are Class A shares representing 10 votes per share and 38,013,003 (36,799,183) are Class B shares, representing 1 vote per share.

## Events after the third quarter

The fourth quarter started with revenue in line with the average level in the previous quarter. Revenues, to date, have been negatively affected by low Sportsbook margins, while at the same time the underlying gaming activity is higher than the average for the previous quarter

Betsson has, at the start of the fourth quarter, launched a new app for real money gaming on Betsson.com in the Appstore. This app provides one of the industry's best mobile customer experiences.

During the fourth quarter Betsson launched on the Swedish market a new Sportbook product called "EttKryssTvå". The product is inspired by existing Sportsbook products but gives the end users an improved experience. The product is assumed to have a great potential to attract customers who normally use the product of the monopoly.

After the end of third quarter, the subject to re-regulate the Norwegian market won parliamentary support. This means that Norway has taken a step closer to a new locally-regulated market. Betsson supports the development, although it is still too early to assess how this will affect the Company.

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

## Accounting principles

Betsson complies with the IFRS standards adopted by the EU, as well as with the interpretations of those standards (IFRIC). This Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting, the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's Recommendation RFR 2.

Betsson's B2C segment is defined as games by players acquired by the Company, itself, and games from players originating from Betsson's network of affiliated websites (www.affiliatelounge.com).

Betsson classes anything which cannot be included in these categories as B2B.

The portion of a gain or loss on a hedging instrument which is deemed to be an effective hedge is reported under Other comprehensive income. The gain or loss which is attributable to the ineffective portion is reported in the income statement.

In other respects, the accounting principles remain unchanged from the preparation of the Annual Report for 2012. Further information regarding the Group's accounting and valuation principles are found in the annual financial statements for 2012 (Note 2) which is available on [www.bessonab.com](http://www.bessonab.com), or copies can be obtained from the head office.

## Risks and factors of uncertainty

The legal situation for gaming via the Internet is continually changing in the various geographical markets. There continues to be pressure on countries within the EU to adapt their domestic gaming legislation to the applicable EU laws, implying freedom of movement of goods and services. A number of countries have announced that they are working on new gaming legislation which will conform to the EU's requirements, and in certain countries concrete proposals have been presented and new legislation has been adopted. It continues to be unclear as to when such new regulations will be introduced in those of Betsson's major markets where the domestic legislation is yet to be changed.

New legislation can lead to market conditions as regards, for example, changes in taxes, product offerings and local licensing fees which could negatively impact Betsson's profitability. At the same time, new legislation can imply that the gaming markets for Betsson's products grow and that Betsson is provided improved possibilities for marketing and a market presence. Betsson supports the development, although it is still too early to assess how this will affect the Company.

In the beginning of June 2010, Norway expanded its prohibition of the support of foreign organised gaming. This prohibition affects banks providing clearing services in conjunction with the payment of gaming activities via credit and payment cards to gaming companies as such services are deemed to comprise criminal activity. After the election in September 2013, a parliamentary majority has developed in Norway in favour of the re-regulation of the Norwegian gaming market. However, based on what is known, today, Betsson management does not believe that it is probable that new regulations will be introduced in Norway within the near future. Betsson supports the development, although it is still too early to assess how this will affect the Company.

Today, there is a shared view amongst those representing various parliamentary political parties as regards the re-regulation of the Swedish gaming market. It is too early to make conclusions regarding this, but many assessing these developments believe that the work of introducing new regulations can only first be initiated after the Parliamentary elections in 2014. This implies that

any possible new regulations can be adopted, at earliest, during 2016/2017.

After Betsson sold the Turkish client base, Betsson has licensing revenues for systems deliveries to, amongst others, a gaming operator where a portion of the revenues refer to players in Turkey. These licensing revenues are reported under B2B. Revenues from Turkey can be deemed to incur a higher operational risk than revenues from other markets. A proposal for a new law was adopted in Turkey during 2013 implying changes in gaming legislation. This has, largely, been implemented.

For a more detailed description of the above risks and other risks and factors of uncertainty, we refer to the annual financial statements for 2012.

## Transactions with related parties

No transactions have taken place between Betsson and associated companies significantly impacting Betsson's financial position and results during the quarter.

## Future prospects

Betsson deems that the market for gaming via the Internet will continue to show strong growth. The number of Internet users is expanding rapidly on a global basis, something that comprises a driving force in the industry. In the regions in which it is available, the confidence in the Internet as a trading place is increasing and a growing number are using Internet for banking, trading in shares, insurance claims and for other types of commercial trading and activities. This changed behaviour and the increased trust in e-commerce is important for market developments.

Betsson believes that from a risk perspective there are sustainable values in both the newly, locally regulated markets, as well as in the, during many years, internationally regulated markets. Certain internationally regulated markets will comprise during the near future a base for strong growth and good profitability.

In November 2012, H2 Gambling Capital deemed that the global Internet gaming market will grow by 9.1 percent during 2013. The expected growth in Betsson's major markets is assessed to be less than 7.5 percent during 2013. Betsson believes that the Company over time will continue to grow at a rate exceeding market growth.

Management also deems that mobile revenues will continue to increase strongly during the next twelve months.

## Nomination Committee and Annual General Meeting 2014

In accordance with the resolution adopted by the annual general meeting of shareholders in Betsson held on 8 May 2013, the members of the Nomination Committee have been appointed prior to the annual general meeting for 2014.

The following individuals comprise the Nomination Committee:

- John Wattin, representing the Hamberg family and Hamberg Förvaltning AB,
- Michael Knutsson, appointed by Knutsson Holdings AB,
- Christoffer Lundström, appointed by Provobis AB and the Lundström family,
- Pontus Lindwall, Chairman of the Board of Directors of Betsson AB.

The Nomination Committee is tasked with presenting proposals, before the forthcoming annual general meeting for 2014, as regards the number of Board members to be elected by the meeting, Board fees, the composition of the Board, the Chairman of the Board and the Chairman of the annual general meeting. Furthermore, the Nomination Committee is to present a proposal for new directives for the Nomination Committee for the following annual general meeting.

The annual general meeting of shareholders in Betsson AB will be held on Wednesday, 8 May 2014, in Stockholm (Information regarding the time and location will be provided at a later date).

Shareholders wishing to submit proposals to the Nomination Committee may do so via email to [valberedning@betssonab.com](mailto:valberedning@betssonab.com) or by post to the address; Betsson AB, Valberedning, Regeringsgatan 28, 111 53 Stockholm.

## Financial calendar

Betsson intends to publish its financial report as follows. The Year-End Report for 2013 (fourth quarter) on 7 February 2014.

## Presentation of the Interim Report

Today, Friday 25 October, at 09.00 CET, Betsson's CEO, Magnus Silfverberg will present the Interim Report at Betsson's office on Regeringsgatan 28, as well as through webcast at [www.betssonab.com](http://www.betssonab.com) or <http://storm.zoomvisionmamato.com/player/betsson/objects/4zbxct90> or by phone at +46 (0)8 505 564 74 (Sweden) or +44 (0)203 364 53 74 (UK). The presentation will be held in English and will be followed by a question and answer session.

A copy of the presentation is available at [www.betssonab.com](http://www.betssonab.com) as of Friday 25 October.

## Stockholm, 25 October 2013

Magnus Silfverberg  
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The information in this Interim Report is information which Betsson AB (Publ) shall publish in accordance with the Securities Market Act and /or the Financial Instruments Trading Act. The information was presented for publication on 25 October 2013, 07:30 CET.

This document is a translation of the Swedish original.

## Business combinations

On 19 February, Betsson AB entered into an agreement to acquire the brands, Sverigeautomaten.com, Norgesautomaten.com and Danmarks/automaten.com from Cherry for a purchase price of MSEK 286, of which MSEK 60 is equivalent to a additional purchase consideration. In practice, this transaction implies that Betsson AB's subsidiary on Malta, who already previously had been responsible for the operations of the sites, now, after the transaction, also takes over the brands and responsibility for marketing. At the same time, Cherry acquired the brand Cherrycasino.com from Betsson's Maltese subsidiary for a purchase price of MSEK 1.

The initial net purchase price of MSEK 225 was settled on the basis of a the equivalent of 1,063,895 newly issued Betsson Class B shares. The additional purchase consideration will be settled on the basis of liquid funds after 12 months.

In 2012 the Automaten brands generated revenues of MSEK 168.2, which are already included in Betsson's total revenues. All in all, this transaction implies that Betsson, calculated on the 2012 activity level, will save MSEK 52.7 per year in costs through the net effect of savings in revenue share to Cherry previously paid in accordance with the established cooperation agreement, and the marketing costs taken over by Betsson.

No portion of the reported goodwill amount is expected to be deductible in terms of income tax. The following table summarises the purchase prices paid and the fair value of the acquired assets and assumed liabilities.

## Accounting effects

The acquisition of the automaten brands has resulted in an accounting effect since the first of April 2013. Since that time and up until the end of September, the acquisition has contributed to the Group's operating income with MSEK 21.3 through the net effect of the savings in revenue share to Cherry previously paid in accordance with the established cooperation agreement, and the marketing activities carried out by Betsson.

In the case the Automaten brands would have been acquired during the entire interim period, Betsson's operating income would have amounted to MSEK 463.3, instead of MSEK 451.1, excluding acquisition costs of MSEK 0.5 in the first quarter.

If Betsson had owned the Automaten brands during first nine months of 2012, the acquisition would hence have contributed to operating income in an amount of MSEK 33.4.

## Acquisition analysis (MSEK)

### Purchase consideration

Sold brand	1.0
Own capital instruments (1 063 895 Class B shares)	<u>225.0</u>
Total purchased price paid	226.0
Supplementary purchase price (non-conditional)	<u>60.0</u>
Total purchase price	286.0

Reported amount of identified acquired assets and assumed liabilities

Brands	<u>38.1</u>
Total identifiable assets	38.1
Goodwill	247.9

## Additional purchase consideration, NGG

In conjunction with the acquisition of NGG in 2012, a provision was recorded for a maximum additional purchase consideration of MEUR 20. The final value of this liability will be impacted by the outcome of the current dispute with the sellers of NGG concerning fulfilment of the terms and conditions of the additional purchase consideration, and as regards the applied EUR/SEK exchange rate. The final settlement of the liability will take place on the basis of an agreement or, alternatively, legal assessment of the fulfilment of the terms and conditions, either via delivery of shares, or via payment in the form of liquid funds. An amount less than MEUR 20 can apply if only portions of the terms and conditions are seen to have been fulfilled.

<b>Consolidated income statement, MSEK</b>	<b>Q3 2013</b>	<b>Q3 2012</b>	<b>Jan-Sep 2013</b>	<b>Jan-Sep 2012</b>	<b>Full year 2012</b>
<b>Income</b>	<b>603.4</b>	<b>529.5</b>	<b>1821.3</b>	<b>1 551.8</b>	<b>2 203.7</b>
Cost of sold services	-100.9	-90.8	-296.0	-246.9	-350.0
<b>Gross profit/loss</b>	<b>502.5</b>	<b>438.7</b>	<b>1525.3</b>	<b>1 304.9</b>	<b>1 853.7</b>
Marketing costs	-167.5	-152.4	-539.3	-437.4	-626.8
Personnel costs	-89.9	-73.5	-271.3	-205.1	-290.9
Other external expenses	-88.4	-80.4	-255.5	-239.7	-329.3
Capitalized development costs	19.2	17.9	68.2	58.9	81.0
Depreciation/amortisation	-26.3	-28.0	-81.3	-73.3	-105.0
Other operating income/-costs	2.7	-2.2	5.0	-4.8	-5.6
Operating expenses	-350.3	-318.7	-1074.2	-901.3	-1276.6
<b>Operating profit/loss</b>	<b>152.2</b>	<b>120.0</b>	<b>451.1</b>	<b>403.6</b>	<b>577.1</b>
Financial income and expenses	-2.5	-1.7	-3.9	-3.5	-3.5
<b>Result before taxes</b>	<b>149.7</b>	<b>118.3</b>	<b>447.2</b>	<b>400.2</b>	<b>573.6</b>
Tax	-8.7	-5.2	-26.1	-19.3	-25.8
<b>Profit/loss for the period</b>	<b>140.9</b>	<b>113.1</b>	<b>421.1</b>	<b>380.8</b>	<b>547.8</b>
Earnings per share basic (SEK)	3.25	2.68	9.74	9.09	13.04
Earnings per share after dilution (SEK)	3.25	2.67	9.73	9.03	12.98
Operating margin (percent of income)	25.2	22.7	24.8	26.0	26.2
Operating margin (percent of gross profit/loss)	30.3	27.4	29.6	30.9	31.1
Profit margin (percent)	24.8	22.3	24.6	25.8	26.0
Average number of outstanding shares (million)	43.4	42.2	43.2	41.9	42.0
Average number of outstanding shares at the end of the period (million)	43.4	42.4	43.4	42.2	42.3
Return on equity (percent)			25	28	38
Return on total equity (percent)			15	16	22
Return on capital employed (percent)			16	18	24

<b>Consolidated statement of comprehensive income, MSEK</b>	<b>Q3 2013</b>	<b>Q3 2012</b>	<b>Jan-Sep 2013</b>	<b>Jan-Sep 2012</b>	<b>Full year 2012</b>
<b>Net income</b>	<b>140.9</b>	<b>113.1</b>	<b>421.1</b>	<b>380.8</b>	<b>547.8</b>
<b>Other comprehensive income</b>					
<b>Income/costs carried directly in equity</b>					
Hedge of net investments in foreign currency incl. deferred tax	4.3	14.7	-1.8	19.9	10.7
Exchange differences on translation of foreign operations	-22.4	-71.5	12.6	-100.9	-57.0
<b>Other comprehensive income for the period (after tax)</b>	<b>-18.1</b>	<b>-56.8</b>	<b>10.8</b>	<b>-81.0</b>	<b>-46.3</b>
<b>Total comprehensive income for the period</b>	<b>122.8</b>	<b>56.3</b>	<b>431.9</b>	<b>299.8</b>	<b>501.5</b>



<b>Consolidated balance sheet, MSEK</b>	<b>30 September 2013</b>	<b>30 September 2013</b>	<b>31 December 2013</b>
Intangible non-current assets	1 973.9	1 633.2	1 664.6
Tangible fixed assets	23.8	31.9	28.5
Financial fixed assets	23.7	11.4	25.2
Deferred tax assets	12.8	16.1	18.4
<b>Total fixed assets</b>	<b>2 034.2</b>	<b>1 692.6</b>	<b>1 736.8</b>
Current receivables	757.4	739.1	752.7
Cash and cash equivalents	417.8	250.1	467.2
<b>Total current assets</b>	<b>1 175.2</b>	<b>989.2</b>	<b>1 219.9</b>
<b>Total assets</b>	<b>3 209.4</b>	<b>2 681.8</b>	<b>2 956.7</b>
Equity	1 827.8	1 382.4	1 577.8
Deferred income tax liabilities	7.2	14.4	9.3
Liabilities with credit institutions	-	396.4	344.5
<b>Total non-current assets</b>	<b>7.2</b>	<b>410.8</b>	<b>353.8</b>
Liabilities with credit institutions	306.3	-	-
Other current liabilities	1 068.1	888.6	1 025.0
<b>Total current liabilities</b>	<b>1 374.4</b>	<b>888.6</b>	<b>1 025.0</b>
<b>Total equity and liabilities</b>	<b>3 209.4</b>	<b>2 681.8</b>	<b>2 956.7</b>

  

<b>Cash flow statement for the Group, MSEK</b>	<b>Jan-Sep 2013</b>	<b>Jan-Sep 2012</b>	<b>Full year 2012</b>
Income after financial items	447.2	400.2	573.6
Adjustment for non/cash items	88.3	76.8	110.4
Taxes paid	-31.3	-111.1	2.7
<b>Cash flow from the operating activities</b>	<b>504.2</b>	<b>365.9</b>	<b>686.6</b>
before changes in working capital	-12.8	-26.1	-20.6
Changes in working capital	-	-	-
<b>Cash flow from operating activities</b>	<b>491.4</b>	<b>339.7</b>	<b>666.1</b>
Investments	-80.6	-67.9	-101.0
Sale of intangible assets	1.0	-	-
Acquisition of shares, subsidiaries	-286.0	-518.4	-518.4
Acquisition of shares, associated companies	-15.8	-	-15.0
<b>Cash flow from investing activities</b>	<b>-381.4</b>	<b>-586.3</b>	<b>-634.4</b>
Cash paid upon redemption of warrants	-8.5	-	-10.4
New share issue upon redemption of warrants	12.3	-	-
New share issue upon acquisition of shares in subsidiaries (the Automaten brands)	225.0	-	-
Remaining purchase consideration (the Automaten brands)	60.0	-	-
Bank loan	0.0	431.8	431.8
Repayment of bank loan	-39.6	-17.4	-74.1
Share redemption programme	-410.9	-395.6	-395.6
Cost of share redemption program after tax	-0.2	-	-
Dividends	0.0	-21.8	-21.8
<b>Cash flow from financing activities</b>	<b>-161.9</b>	<b>-3.0</b>	<b>-70.1</b>
<b>Changes to cash and cash equivalents</b>	<b>-51.8</b>	<b>-249.6</b>	<b>-38.4</b>
Cash and liquid assets at the beginning of period	467.2	509.7	509.7
Exchange rate differences	2.4	-10.0	-4.1
<b>Cash equivalents end of period</b>	<b>417.8</b>	<b>250.1</b>	<b>467.2</b>

  

<b>Change in consolidated equity, MSEK</b>	<b>Jan-Sep 2013</b>	<b>Jan-Sep 2012</b>	<b>Full year 2012</b>
<b>Opening balance</b>	<b>1 577.8</b>	<b>1 334.3</b>	<b>1 334.3</b>
Total comprehensive income for the period	431.9	299.8	501.5
<b>Total change excluding</b>	<b>431.9</b>	<b>299.8</b>	<b>501.5</b>
<b>Transactions with company owners</b>	<b>431.9</b>	<b>299.8</b>	<b>501.5</b>
Payment at exercise of options	-	-	-
Dividends	0.0	-21.8	-21.8
Share Redemption Program	-410.9	-395.6	-395.6
Cost of share redemption program after tax	-0.2	-0.1	-
New share issue	225.0	159.6	159.6
Warrants – warrant premiums paid	1.0	-	-
Change of equity share in associated companies	0.0	5.3	10.1
Payment at exercise of options	-8.5	-	-11.5
New share issue, redemption of warrants	11.3	-	-
Share options – value of employee services	0.3	0.9	1.2
<b>Equity at the end of the period</b>	<b>1 827.8</b>	<b>1 382.4</b>	<b>1 577.9</b>
<b>Attributable to:</b>			
Parent Company's shareholders	1 827.8	1 382.4	1 577.8
Minority interest	-	-	-
<b>Total equity</b>	<b>1 827.8</b>	<b>1 382.4</b>	<b>1 577.8</b>

Parent Company Income statement, MSEK	Jan-Sep 2013	Jan-Sep 2012	Full year 2012
<b>Revenues</b>	<b>7.6</b>	<b>12.8</b>	<b>15.9</b>
Operating expenses	-29.2	-48.7	-59.7
<b>Operating income</b>	<b>-21.6</b>	<b>-35.9</b>	<b>-43.8</b>
Financial items	179.8	247.7	619.6
<b>Income before tax</b>	<b>158.2</b>	<b>211.8</b>	<b>575.7</b>
Tax	-3.0	2.2	2.1
<b>Net income</b>	<b>155.2</b>	<b>214.1</b>	<b>577.8</b>
<b>Parent Company Balance Sheet, MSEK</b>	<b>30 Sept 2013</b>	<b>30 Sept 2012</b>	<b>31 Dec 2012</b>
Tangible fixed assets	2.8	4.3	4.0
Financial fixed assets	2 353.2	2 067.3	2 071.2
Total non-current assets	2 356.0	2 071.6	2 075.1
Current receivables	57.3	41.1	305.1
Cash and cash equivalents	57.1	70.1	114.2
Total current assets	114.4	111.2	419.3
<b>Total assets</b>	<b>2 470.4</b>	<b>2 182.8</b>	<b>2 494.5</b>
Restricted equity	339.9	337.7	337.8
Unrestricted equity	1 514.4	1 191.4	1 543.6
Total equity	1 854.4	1 529.1	1 881.4
Non-current liabilities to credit institutions	-	396.4	353.8
Current liabilities with credit institutions	312.4	-	-
Other current liabilities	303.7	257.3	259.3
Total current liabilities	616.1	257.3	259.3
<b>Total equity and liabilities</b>	<b>2 470.4</b>	<b>2 182.8</b>	<b>2 494.5</b>

Group Overview										
Consolidated Income Statements, MSEK	2013	2013	2013	2012	2012	2012	2012	2011	2011	2012
(continuing operations)	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Full year
<b>Revenue</b>	603.4	579.2	638.7	651.9	529.5	486.2	536.0	515.2	465.8	2 203.7
Cost of sold services	-100.9	-96.5	-98.6	-103.1	-90.8	-79.0	-77.1	-81.9	-76.7	-350.0
<b>Gross profit</b>	<b>502.5</b>	<b>482.7</b>	<b>540.1</b>	<b>548.8</b>	<b>438.7</b>	<b>407.2</b>	<b>458.9</b>	<b>433.3</b>	<b>389.1</b>	<b>1 853.6</b>
Marketing expenses	-167.5	-172.4	-199.4	-189.4	-152.4	-149.8	-135.2	-123.1	-100.6	-626.8
Personnel expenses	-89.9	-89.3	-92.2	-85.8	-73.5	-71.3	-60.2	-56.3	-60.5	-290.9
Other external expenses	-88.4	-82.5	-84.6	-89.6	-80.4	-79.2	-80.1	-73.5	-56.5	-329.3
Capitalised development costs	19.2	25.4	23.6	22.0	17.9	25.7	15.3	13.4	9.4	80.9
Depreciation/amortisation	-26.3	-27.6	-27.4	-31.7	-28.0	-23.2	-22.1	-22.3	-21.9	-105.0
Other operating income/expenses	2.7	1.4	1.0	-0.8	-2.2	0.1	-2.6	0.8	-6.2	-5.5
Total operating expenses	-350.3	-344.9	-379.0	-375.4	-318.7	-297.7	-284.9	-261.0	-236.3	-1276.6
<b>Operating income</b>	<b>152.2</b>	<b>137.8</b>	<b>161.1</b>	<b>173.4</b>	<b>120.0</b>	<b>109.5</b>	<b>174.0</b>	<b>172.3</b>	<b>152.8</b>	<b>577.0</b>
Financial items, net	-2.5	-0.3	-1.0	0.0	-1.7	1.3	-3.0	0.6	-6.3	-3.4
<b>Income before tax</b>	<b>149.7</b>	<b>137.5</b>	<b>160.1</b>	<b>173.4</b>	<b>118.3</b>	<b>110.9</b>	<b>171.0</b>	<b>172.9</b>	<b>146.5</b>	<b>573.6</b>
Tax	-8.7	-9.2	-8.2	-6.5	-5.2	-5.5	-8.7	-7.1	-8.1	-25.8
<b>Income after tax</b>	<b>140.9</b>	<b>128.3</b>	<b>151.9</b>	<b>166.9</b>	<b>113.1</b>	<b>105.4</b>	<b>162.3</b>	<b>165.8</b>	<b>138.4</b>	<b>547.8</b>
<b>Consolidated Balance Sheets, MSEK</b>	<b>2013</b>	<b>2013</b>	<b>2013</b>	<b>2012</b>	<b>2012</b>	<b>2012</b>	<b>2012</b>	<b>2011</b>	<b>2011</b>	<b>2012</b>
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Full year
Non-current assets	2 034.2	2 050.3	1 960.0	1 736.8	1 692.6	1 754.0	1 020.7	1 033.8	1 059.8	1 736.8
Current assets	1 175.2	1 067.9	1 287.1	1 219.9	989.2	1 088.8	1 339.2	1 239.3	1 140.7	1 219.9
Total assets	3 209.4	3 118.2	3 247.2	2 956.7	2 681.8	2 842.7	2 359.9	2 273.1	2 200.5	2 956.7
Equity	1 827.8	1 704.1	1 908.9	1 577.8	1 382.4	1 347.7	1 604.4	1 334.3	1 212.2	1 577.8
Non-current liabilities	7.2	6.1	344.7	353.8	410.8	439.4	7.8	8.0	8.7	353.8
Current liabilities	1 374.4	1 408.0	993.6	1 025.0	888.6	1 055.6	747.7	930.8	979.6	1 025.0
Total equity and liabilities	3 209.4	3 118.2	3 247.2	2 956.6	2 681.8	2 842.7	2 359.9	2 273.1	2 200.5	2 956.6
<b>Cash Flow Statements, MSEK</b>	<b>2013</b>	<b>2013</b>	<b>2013</b>	<b>2012</b>	<b>2012</b>	<b>2012</b>	<b>2012</b>	<b>2011</b>	<b>2011</b>	<b>2012</b>
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Full year
Operating cash flow	175.4	150.7	165.4	326.3	-23.7	265.6	97.9	54.2	352.5	666.1
Cash flow from the investing activities	-35.1	-34.8	-311.5	-48.1	-21.6	-547.4	-17.3	-24.4	-63.6	-634.4
Cash flow from the financing activities	-38.8	-410.9	287.8	-67.0	-39.2	36.2	0.0	2.7	0.0	-70.1
Total cash flow	101.5	-295.1	141.7	211.2	-84.5	-245.7	80.6	32.5	288.9	-38.4

<b>Key ratios</b> (Continuing operations)	2013 Q3	2013 Q2	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2012 Full year
Quarterly top-line growth (%)	4	-9	-2	23	9	-9	4	11	38	
Growth compared with the same period last year	14	19	19	27	14	44	28	6	21	27
Gross margin (percent of Revenues)	83.3	83.3	84.6	84.2	82.9	83.7	85.6	84.1	83.5	84.1
EBITDA-margin (percent of Revenues)	29.6	28.6	29.5	31.5	28.0	27.3	36.6	37.8	37.5	30.9
EBITDA-margin (percent of Gross profit)	35.5	34.3	34.9	37.4	33.7	32.6	42.7	44.9	44.9	36.8
Operating margin (percent of Revenues)	25.2	23.8	25.2	26.6	22.7	22.5	32.5	33.4	32.8	26.2
Operating margin (percent of Gross profit)	30.3	28.5	29.8	31.6	27.4	26.9	37.9	39.8	39.3	31.1
Profit margin (percent of Revenues)	24.8	23.7	25.1	26.6	22.3	22.8	31.9	33.6	31.5	26.0
Profit margin (percent of Gross profit)	29.8	28.5	29.6	31.6	27.0	27.2	37.3	39.9	37.7	30.9
Marketing (percent of Revenues)	27.8	29.8	31.2	29.1	28.8	30.8	25.2	23.9	21.6	28.4
Marketing (percent of Gross profit)	33.3	35.7	36.9	34.5	34.7	36.8	29.5	28.4	25.9	33.8
Earnings per share (SEK)	3.25	2.95	3.54	3.95	2.68	2.54	3.91	4.01	3.40	13.04
Operating cash flow per share (SEK)	4.04	3.47	3.86	7.73	-0.56	6.29	2.36	1.31	8.66	15.86
Equity per share (SEK)	42.08	39.24	43.95	36.33	32.75	31.92	38.20	32.24	29.29	37.33
Executed redemption per share (SEK)		9.46				9.42	-	-	-	9.42
Average share price (SEK)	179.32	176.78	213.50	177.78	189.09	210.34	181.23	146.29	132.91	190.05
Last paid share price (SEK)	190.50	170.00	209.50	200.50	174.50	206.00	194.50	151.50	129.50	200.50
Highest share price (SEK)	196.50	210.00	224.50	200.50	207.00	234.00	199.50	159.50	157.50	234.00
Lowest share price (SEK)	167.50	159.50	200.00	158.50	164.00	195.00	152.00	125.25	109.75	152.00
Equity/assets ration (percent)	57	55	59	53	52	48	68	59	55	53
Investments (MSEK)	19.3	34.8	26.5	33.1	21.6	29.1	17.3	13.5	13.8	101.0
Average number of employees (accumulated)	756	721	719	591	527	464	439	340	317	591
Number of employees at the end of the period	815	756	743	748	723	610	459	412	378	748
Number of registered shareholders at the end of the period	19 909	19 447	17 388	17 225	16 195	15 246	14 568	12 507	11 936	17 225
<b>Customers</b>	2013 Q3	2013 Q2	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2012 Full year
Registered Customers (thousands)	6 623.2	6 354.9	6 044.2	5 777.9	5 633.7	5 418.0	3 906.3	3 662.4	3 424.1	5 777.9
Quarterly growth (%)	4	5	5	3	4	39	7	7	6	
Growth to same period last year (%)	18	17	55	58	65	68	51	16	21	58
Active Customers (thousands)	423.6	428.7	479.2	520.4	463.6	508.7	405.0	403.6	382.9	520.4
Quarterly growth (%)	-1	-11	-8	12	-9	26	0	5	14	
Growth to same period last year	-9	-16	18	29	21	51	21	34	50	29
Active/registered customers	6	7	8	9	8	9	10	11	11	9
<b>Customer deposits</b>	2013 Q3	2013 Q2	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2012 Full year
Customer deposits (MSEK)	1 493.8	1 445.9	1 511.1	1 586.5	1 362.9	1 097.8	1 045.3	1 093.5	1 122.6	5 092.4
Quarterly growth	3	-4	-5	16	24	5	-4	-3	48	
Growth to the same period last year	10	32	45	45	21	45	9	-1	23	30
Customer deposits, all gaming solutions (MSEK)	2 027.1	2 017.8	2 113.9	2 154.8	1 756.0	1 509.5	1 468.6	1 484.5	1 483.6	6 888.9
Quarterly growth (%)	0	-5	-2	23	16	3	-1	0	29	
Growth to the same period last year	15	34	44	45	18	31	31	34	62	32
<b>Sportsbook Gross Margin</b>	2013 Q3	2013 Q2	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2012 Full year
Gross sales, all gaming solutions	3 398.5	3 447.6	3 873.6	3 782.8	2 921.4	2 744.8	2 644.1	2 171.3	1 816.6	12 093.1
Quarterly growth (%)	-1	-11.0	2.4	29.5	6.4	3.8	22	20	1	
Growth compared with the same period last year (%)	16	26	47	74	61	52	48	15	49	60
Of which gross sales from Live Betting (MSEK)	2 365.2	2 393.2	2 667.3	2 476.8	1 910.9	1 904.8	1 740.1	1 336.1	1 072.4	8 032.5
Live betting portion (%)	69.6	69.4	68.9	65.5	65.4	69.4	65.8	61.5	59.0	66.4
Quarterly growth (%)	-1.2	-10.3	7.7	29.6	0.3	9.5	30	25	-11	
Growth compared with the same period last year (%)	24	26	53	85	78	59	55	17	46	70
Margin after free bets (%)	6.9%	6.5%	6.7%	7.4%	5.5%	4.6%	7.2%	8.1%	7.6%	6.2%
Gross profit Sportsbook (MSEK)	140.3	126.6	164.0	165.5	89.8	68.9	107.8	97.2	84.1	432.0
Gross margin Sportsbook (%) 1)	4.1%	3.7%	4.2%	4.4%	3.1%	2.5%	4.1%	4.5%	4.6%	3.6%

<b>Segment Reporting</b>	2013	2013	2013	2012	2012	2012	2012	2011	2011	2012
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Full year
<b>Gross profit, MSEK</b>										
B2B, Business to business	104.9	124.0	165.4	147.4	120.8	115.3	142.8	132.6	123.0	526.3
B2C, Business to consumers	397.6	358.7	374.7	401.4	317.9	291.9	316.2	300.7	266.1	1 327.4
Total gross profit	502.5	482.7	540.1	548.8	438.7	407.2	459.0	433.3	389.1	1 853.7
Share of total Gross Profit (%)										
B2B	20.9	25.7	30.6	26.9	27.5	28.3	31.1	30.6	31.6	28.4
B2C	79.1	74.3	69.4	73.1	72.5	71.7	68.9	69.4	68.4	71.6
<b>Quarterly growth (%)</b>										
B2B	-15	-25	12	22	5	-19	8	8	-1	
B2C	11	-4	-7	26	9	-8	5	13	75	
Totalt	4	-11	-2	25	8	-11	6	11	41	
<b>Growth compared with the same period last year</b>										
B2B	-13	8	16	11	-2	-7	-24	-44	-32	-7
B2C	25	23	19	33	19	92	122	96	119	54
Total	15	19	18	27	13	48	39	11	29	30
<b>Gross Profit per Products</b>	2013	2013	2013	2012	2012	2012	2012	2011	2011	2012
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Full year
<b>Gross profit, MSEK</b>										
Casino	329.9	316.0	325.4	335.8	301.7	303.1	308.3	290.4	275.1	1 248.8
Poker	21.2	22.0	30.6	31.6	32.2	25.4	27.5	24.8	21.5	116.7
Sportsbook	140.7	126.6	164.0	165.5	89.8	68.9	107.8	97.2	84.1	432.0
Other products	10.7	18.1	20.1	15.9	15.0	9.8	15.4	20.9	8.4	56.1
Total gross profit	502.5	482.7	540.1	548.8	438.7	407.2	459.0	433.3	389.1	1 853.7
Share of gross profit (%)										
Casino	65.7	65.5	60.2	61.2	68.8	74.4	67.2	67.0	70.7	67.4
Poker	4.2	4.6	5.7	5.8	7.3	6.2	6.0	5.7	5.5	6.3
Sportsbook	28.0	26.2	30.4	30.2	20.5	16.9	23.5	22.4	21.6	23.3
Other products	2.1	3.7	3.7	2.9	3.4	2.4	3.4	4.8	2.2	3.0
Quarterly growth (%)										
Casino	4	-3	-3	11	0	-2	6	6	36	
Poker	-4	-28	-3	-2	27	-8	11	15	26	
Sportsbook	11	-23	-1	84	30	-36	11	16	104	
Other products	-41	-10	26	6	53	-36	-26	149	-45	
Total all products	4	-11	-2	25	8	-11	6	11	41	
Growth compared with the same period last year (%)										
Casino	9	4	6	16	10	50	64	34	58	31
Poker	-34	-13	11	27	50	49	34	-7	-12	39
Sportsbook	57	84	52	70	7	67	3	-24	-6	32
Other products	-29	84	31	-24	79	-35	-13	5	-38	-10
Total all products	15	19	18	27	13	48	39	11	29	30
<b>B2C by Geographical area</b>	2013	2013	2013	2012	2012	2012	2012	2011	2011	2012
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Full year
<b>Gross profit, MSEK</b>										
Nordic Countries	339.7	291.9	302.3	330.2	253.4	238.7	259.0	239.0	199.4	1 081.3
EU, outside Nordic Region	55.1	63.5	69.1	68.1	58.3	49.7	48.2	55.3	57.9	224.3
Rest of Europe	1.4	2.1	1.4	1.3	2.4	1.5	1.1	0.8	1.4	6.3
Rest of the world	1.4	1.2	1.9	1.8	3.8	1.9	7.9	5.6	7.4	15.4
Total gross profit	397.6	358.7	374.7	401.4	317.9	291.9	316.2	300.7	266.1	1 327.4
Share of total Gross Profit (%)										
Nordic Countries	85.4	81.4	80.7	82.3	79.7	81.8	81.9	79.5	74.9	81.5
EU, outside Nordic Region	13.9	17.7	18.4	17.0	18.3	17.0	15.2	18.4	21.8	16.9
Rest of Europe	0.4	0.6	0.4	0.3	0.8	0.5	0.3	0.3	0.5	0.5
Rest of the world	0.4	0.3	0.5	0.4	1.2	0.7	2.5	1.9	2.8	1.2
Quarterly growth (%)										
Nordic Countries	16	-3	-8	30	6	-8	8	20	72	
EU, outside Nordic Region	-13	-8	1	17	17	3	-13	-4	66	
Rest of Europe	-33	50	8	-46	57	39	38	-43	100	
Rest of the world	17	-37	6	-53	96	-75	41	-24	1 380	
Total all countries	11	-4	-7	26	9	-8	5	13	75	
Growth compared with the same period last year										
Nordic Countries	34	22	17	38	27	106	145	108	111	64
EU, outside Nordic Region	-5	28	43	23	1	42	38	34	108	23
Rest of Europe	-42	37	27	63	71	119	10	129	180	62
Rest of the world	-63	-38	-76	-68	-49	287	778	5 700	717	7
Totalt alla länder	25	23	19	33	19	92	122	96	119	54

## The auditors limited review report of the interim report with interim information set up in accordance with IAS 34 and chapter 9 in årsredovisningslagen

### Introduction

We have reviewed this report for the period 1 January 2013 to 30 September 2013 for Betsson AB (publ). The board of directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### Scope of Review

We conducted our review in accordance with the Swedish Standard on Review Engagements SÖG 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

**Stockholm 25 October, 2013**  
**PricewaterhouseCoopers AB**  
**Michael Bengtsson**  
**Authorized public accountant**