

OUR
GAME
PLAN



2010 IN NUMBERS	1
THE CEO HAS THE FLOOR	2
THE YEAR IN BRIEF	4
THIS IS BETSSON	6
BUSINESS MODEL	8
BETSSON AND PARTNERS	10
PRODUCTS	12
BETSSON BUSINESS SOLUTIONS	16
OPERATIONS	20
RESPONSIBLE GAMING	22
MARKET	24
EMPLOYEES	26
THE FUTURE	27
BOARD OF DIRECTORS	28
SENIOR MANAGEMENT	29



2010 IN NUMBERS

Betsson AB's Core Business consists of investing and administering shareholding in companies which - through partners or by themselves - offers games to the end users via the internet. Betsson AB owns Betsson Malta which operates games through partnerships and the websites www.betsson.com, www.casinoeuro.com and www.cherrycasino.com. Betsson Malta offers Poker, Casino, Sports betting, Scratch Cards, Bingo and Games. The own customers mainly originate from the Scandinavian countries and other parts of Europe. Betsson AB is listed on NASDAQ OMX Nordic Mid Cap List, (BETS).

SEK **1.6**

BILLION TURNOVER 2010

23%

GROWTH 2010

23

EMPLOYEES NATIONALITIES

78%

SPORTSBOOK GROWTH 2010

5

MILLION BETS PER DAY

282

BETSSON EMPLOYEES

More about Betsson:

Betsson's Annual Report can be found at www.betssonab.com

This site also provides reports, presentations and press releases

IT IS NEVER BORING TO WORK AT A GAMING COMPANY

Particularly a gaming company operating via the Internet and, furthermore, within a number of different geographical markets. Our industry is developing at an incredible speed and, as a leading provider, we must constantly adapt the operations on the basis of the changes taking place. 2010 has been characterised by discussions regarding the industry's transformation from what was called .com to the new term .country.

To date, gaming companies such as Betsson have been able to offer their services from a European geographic market, typically from an EU member country such as Malta, to all other member states and have, then, been able to offer local statutory regulations, for example

Malta's, in their offerings. All member states have not responded positively to this competition from other countries, which has been expressed in a variety of ways. However, a number of countries have now passed local legislation, approved by EU, regulating the manner in

which Internet gaming is to be undertaken vis á vis the consumers in those local markets. This is what is referred to as .country within our industry. Examples of countries that have passed such laws are Italy and France. Denmark and other countries are also underway in implementing new local legislation in this area.

For a long time, Betsson has been in favour of the establishment of these new, national regulations, as we believe that it is good for the countries, gaming companies and customers. But in order for a system with local legislation to function, the new regulations must be competitive and non-discriminating. Competitive advantage has primarily to do with allowing the offering of a sufficiently broad scope of gaming to meet the customers' varying interests and

wishes regarding gaming and in which the tax rates are at a level which allows gaming companies to compete with other gaming activities offered on the Internet from other jurisdictions. If the gaming offering is excessively limited, the customers will choose to play on other sites as gaming via the Internet is very difficult to stop through technological restrictions. If taxes are excessively high, then the licensed gaming companies will be forced to reduce the payouts to customers in order to achieve profitability and, in such a case, the customers will, at any rate and in the same way, turn to other gaming sites and the legislation will, consequently, be meaningless. Furthermore, the local regulations must be non-discriminating, which implies that the companies choosing to apply for licensing in the market are offered the same possibilities in all aspects as the existing, former monopoly gaming companies.

In France, taxes are high, the offering is very limited and the monopoly gaming companies have been favoured by being granted sole right to operating gaming in shops. This is no positive starting point and Betsson has, therefore, chosen to refrain from entering the French market. In Italy, the regulations are more favourable and Betsson has entered into an agreement with the aim of Betsson entering the Italian market together with a local partner. The new .country environment which will probably be gradually implemented in Europe, creates, of course, certain challenges as regards local adaptations and other aspects, but, all in all, this is positive for our industry as an industry; via improved

premises for marketing, new possibilities for growth will arise. The new regulations which are not sufficiently positive now in the beginning will, with little doubt, be reassessed with time as the customers, similar to customs within other operations on the Internet, will always favour the more attractive, competitive alternative.

Betsson's new business area, Betsson Business Solutions, has had a hectic first year. Europe is, still, the world leader within Internet gaming but now new, major markets will probably be very interesting in the not too distant future. For Betsson, it is now essential for us to try to commercialise our system and our competencies also outside Europe and we will preferably do this together with local partners. During the end of 2010 and the beginning of 2011, Betsson could present a number of cooperation agreements, amongst others, regarding China, which, hopefully, will contribute to future growth. It is, of course, a bit nerve racking to contemplate the manner in which, for example China, could develop within Internet gaming and it will also be interesting to see which way the US will choose to go in this context. My view of the future possibilities is unchanged, that is, that Internet gaming is here to stay and that Internet gaming will comprise a dominating form of gaming in the majority of markets. Consequently, it is important that Betsson continues to monitor and follow-up on what is happening also outside Europe.

On a number of occasions, I have addressed Betsson's key values in my comments. Dynamic, Fun, Fair, Passion and Innovation are the

values on which our work is based and these values permeate our entire company and our approach and perspective. These values are not just words on a piece of paper but represent an overall image of our personnel and how we work and deal with our customers and partners. These values provide us with the strength we need when we initiate cooperation with new partners and in new markets.

Betsson has worked hard in strengthening its position within sports gaming during recent years. Here, we have clearly seen a strong trend within live betting and, consequently, the company has invested a great deal in innovation and product development in this area. The results of this have not been slow in coming to the fore and live betting now accounts for more than sixty percent of sports gaming. It is not just within sports that live gaming is growing. During 2010, live gaming was also launched within casino, which implies that the players can play with real dealers and croupiers whereby the progress of the game is sent through streaming video. This is an interesting application which has now become commercially available via a refining of the technology concerned and due to the fact that the Internet's broadband has reached entirely other levels than was the case a few years ago. Another area in which technological developments are speeding forward is within the mobile network and mobile terminals. Here, I believe that we will see major development within the next few years as regards Betsson's products and this will, of course, benefit us, as the customers will have an increased



”
FOR BETSSON, IT IS NOW ESSENTIAL FOR US TO TRY TO COMMERCIALISE OUR SYSTEM AND OUR COMPETENCIES ALSO OUTSIDE EUROPE.

accessibility to our products.

This current year will be at least as interesting as the last year. Technological developments continually provide us with new possibilities which must be taken advantage of. In the markets around the world, the consumers are discovering how positive it is to play via the Internet. Betsson is well-positioned. We have

all of the production factors in place and in order. Our finances are strong, our technical system is world-leading and, most importantly, our personnel are, amongst other things, dynamic, innovative and passionate. It should be fun to go to work

Stockholm in March 2011
Pontus Lindwall

THE YEAR IN BRIEF

40 MILLION	BETSSON	BETSSON	START	LIVE CASINO
NOK JACKPOT	ACQUIRED	OPENS	PAGE	LAUNCHED
IN NORWAY	OPERATOR	NASDAQ	INNOVATION	

FEBRUARY A retired carpenter from Norway hit the jackpot, winning incredible NOK 40 million. The 69-year-old man made a NOK 300 bet on the slot game Mega Fortune, where the jackpot had been building up over time. "I almost fainted", the winner said.

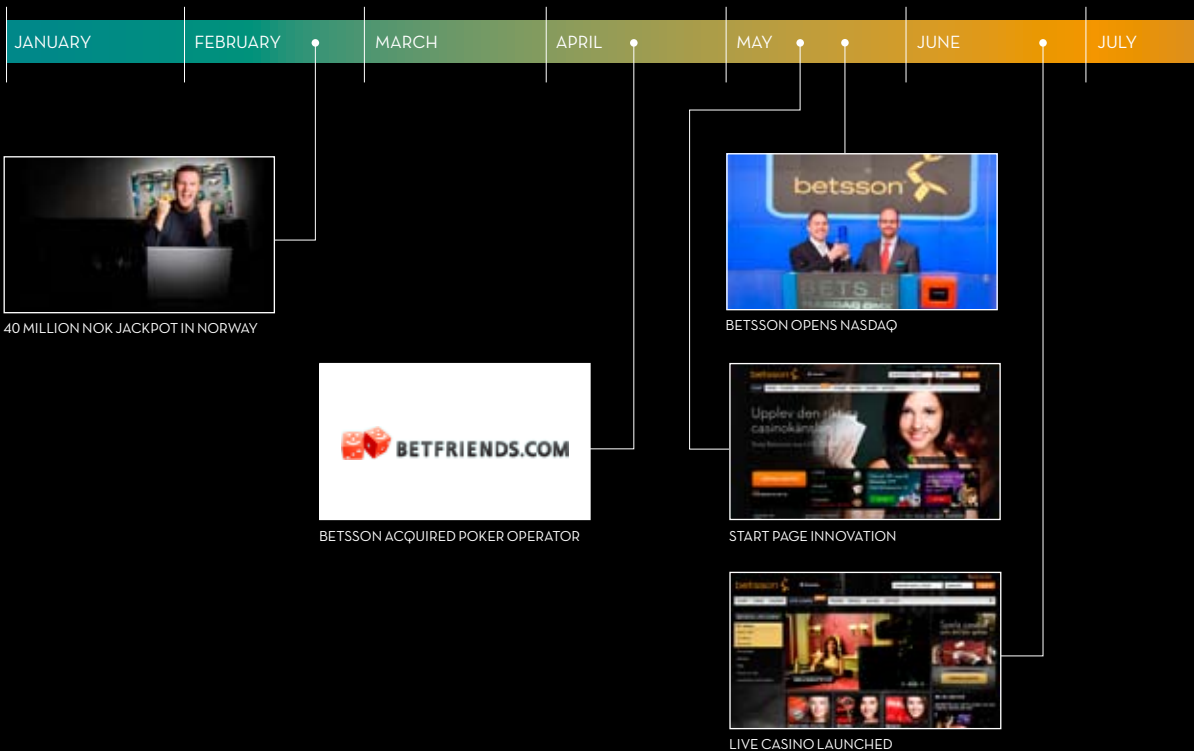
APRIL Betfriends was an operator in Malta with 4,000 active customers. The history of Betfriends derived mainly from poker, but they also offered sports betting, casino and poker to the end users. "This transaction is a step towards stemming Betsson's trend in poker, as the poker business has shown negative development for some time", says Betsson AB CEO and President Pontus Lindwall.

MAY On 18 May, Betsson visited NASDAQ in New York City's Times Square. In honour of the occasion, Pontus Lindwall, CEO, and Fredrik Rüdén, CFO, preside over the NASDAQ Opening Bell.

MAY Being a very innovative brand, Betsson launched its newest start page innovation in May 2010 and the page included a number of new aspects. With this launch, Betsson secured its position as the leading company when it comes to design and usability - something that will become more and more important as the industry evolves.

JUNE During the second quarter of 2010, Betsson launched a new casino. Live Casino offers a more dynamic and active way of playing where the player interacts with the dealers via live streaming and a chat function. The live casino offers BlackJack, Roulette and Baccarat.

2010



**BETSSON
IN MANILLA**

NOVEMBER There has been a lot of talk about Asia lately in Betsson and since November Betsson is physically present in Asia also in the shape of a Betsson Tech Development Center. In March 2011 there were 16 people in the office, six Swedes and ten Philipinos, all working with creating the best Sportsbook in the world. The Manila office is aiming at having 23 employees by the end of the first half of 2011.

**BETSSON
ESTABLISHES
IN INDIA**

DECEMBER Betsson established a software development company in India, which will develop software both for Betsson's current markets in Europe as well as for new ventures in Asia. This regional focus has resulted in a contract with an Asian player.

**FIRST B2B-DEAL
ON NEW
PLATFORM**

DECEMBER In December, Betsson Business Solutions signed a B2B-deal with Realm Entertainment, providing a complete gaming portal and the technical operation of it. The deal is based on Betsson's leading technology platform, which allows White-Labeling of Betsson's entire product range.

**ONCE AGAIN,
THE SHOP
OPENED**

DECEMBER In December 2010 Betsson once again opened the betting shop on Götgatan in central Stockholm. After a number of legal turns with the Swedish Gaming Board the shop is now open.

AUGUST

SEPTEMBER

OCTOBER

NOVEMBER

DECEMBER



BETSSON IN MANILLA



FIRST B2B-DEAL ON NEW PLATFORM



BETSSON ESTABLISHES IN INDIA



ONCE AGAIN THE SHOP OPENED



THIS IS BETSSON

One of Betsson's basic values is passion. This is also a good explanation of how we have got where we are today, and also how we intend to continue on our journey into the future. Betsson's subsidiaries' vision is to be part of every gaming event on the Internet, and to achieve this we must break new ground. Betsson's subsidiaries will, consequently, continue to create new, fun and different gaming concepts, and will do this in an even greater number of markets.

BETSSON AB

BUSINESS

CONCEPT

Betsson AB's business concept is to invest in and manage fast-growing companies operating in the online gaming industry.

OBJECTIVE

Betsson's objective is to generate long-term growth and responsible profitability in order to provide shareholders with the best possible returns in the long term.

STRATEGY

Betsson AB and its subsidiaries will grow organically, or via acquisition, inside and outside the EU.

Betsson basic values:

FUN
FAIR
INNOVATION
PASSION
DYNAMIC

BETSSON IN NUMBERS

■ 5 MILLION BETS PER DAY ■ 280,000 COUPONS PER DAY ■ 15,000 BETTING EVENTS AVAILABLE



BETSSON SUBSIDIARIES

VISION

Betsson shall have a stake in every online bet.



BETSSON SHALL HAVE A STAKE IN EVERY ONLINE BET

MISSION

We deliver fun, fair and innovative online gaming solutions. We are passionate about our end users and partners and we strive for perfection in everything we do. We shall be within the top 3 in all our selected markets through our excellent people and dynamic business models.

STRATEGY

Betsson is currently working on the basis of a two-fold strategy where we aim at growing fast both through direct and indirect business. In our direct business we currently focus on our core markets and products in order to consolidate our resources towards creating higher growth in those areas. In our indirect business (via Betsson Business Solutions), we are targeting new or less developed markets with a partner strategy, trying to break in to these markets together with strong local partners. In our operations, we are building on our strong capabilities within technology, know how of gaming operations, innovation and quality.

BUSINESS MODEL

Betsson's business model is based on attracting new customers at low levels of cost and risk. Customers arrive via direct registration on our sites or via affiliates who direct players to us. Our products belong to two revenue models: Betsson playing against the customer (Casino, Sportsbook, Scratch Cards, Bingo and Games) and customers playing against each other (Poker). Within our partnerships, profit sharing between us and our partners is based on the gaming surplus generated by the customers on the partner sites.

BETSSON	CUSTOMER	BETSSON
VS. CUSTOMER	VS. CUSTOMER	+ PARTNER
<p>Betsson acts as the bank for gaming in Casino, Sportsbook, Scratch Cards, Bingo and Games. Sportsbook is distinct from the other types of gaming as the company takes a risk when setting the bet based on probable outcome. Probability is assessed by professional odds compilers. As the customers' bets are most often concentrated on a certain result, the earnings from bets fluctuate. This risk is, however, minimised in the longer run due to the large number of bets that are placed in this gaming area every year. In the other gaming fields, the bets are built into the actual product and, consequently, gaming profits fluctuate to a much smaller degree.</p>	<p>In its Poker operations, Betsson takes a commission (rake) on every pot within cash games and fees for tournaments. The size of the commission depends on the size of the pot or the buy-in for the tournament. Consequently, Betsson takes no direct risk in the gaming itself but, instead, levies a charge for managing the play.</p>	<p>Betsson Business Solutions is a unit within the Betsson Group which, together with partners, jointly operates gaming sites. Companies choosing to partner with Betsson Business Solutions gain access to the premier gaming solutions currently available on the market. At the same time, Betsson's more than 45 years of gaming experience is also brought to the table. When combining Betsson's capability with strong local partners who have considerable presence on the market, we are creating major growth and opportunity for ourselves and our partners.</p>





BETSSON'S GAMING SITES



Betsson.com



CasinoEuro.com

OUR FOCUS AND DIVERSITY MAKES US THE IDEAL PARTNER

A partnership with Betsson can be conducted in a number of ways, but we always try to make sure that we focus on doing what we do best, which is running a commercially successful gaming operation, and that the partner focus on what it does best, which is acquiring customers. Gaming can be carried out via one of Betsson's own gaming sites or via a large number of partner sites. Through our marketing network Affiliate Lounge, site owners are offered the opportunity to earn money by directing traffic to Betsson's gaming sites.

EXAMPLES OF PARTNERS



Suomiarvat.com



Bets10.com



Cherrycasino.com

OUR AFFILIATE NETWORK



Affiliatelounge.com

EXAMPLES OF PARTNERS



Norgesautomaten.com



Betsson.com (Brazil)

SEVEN PRODUCT GROUPS...



Since its start, Betsson has pushed innovation in its products and, for us, a top class product offering is essential for success in the market. We were the first operator to enter the Ogame network for poker. In addition to this we continuously add new products and suppliers as opportunities and needs arise. We have a multi supplier strategy which makes it possible to always have the most attractive product mix to offer the customers.



- CASINO
- SPORTSBOOK
- LIVE CASINO
- POKER
- SCRATCH CARDS
- BINGO
- GAMES

...UNLIMITED GAMING OPPORTUNITIES



CASINO

Casino games is currently responsible for two-thirds of Betsson's earnings. Casino games, including Live Casino, encompasses table games, such as Roulette and Black Jack, as well as video slots and videopoker. New games are launched on a monthly basis and games with opportunities to win jackpots of several million Euros are very popular. In 2010, several major jackpots have been won by our customers. Our casino has a large variety of world-class casino games that require no downloads.



POKER

We offer poker from multiple suppliers in order to cater for specific local demands, giving Betsson's players unchallenged variety in this key product. Ogame Networks, which is one of the world's largest networks, with approximately 18 million registered poker payers, is our main Poker destination. One much appreciated addition to the gaming is our Poker School which has helped many new users to dare to participate fully.



LIVE CASINO

Live Casino was launched in 2010 and has proven to be very popular among our customers. Customers can interact with live dealers and other players around a physical game table. The casino gambling experience is the next thing to a "real life" experience.



SPORTSBOOK

Sportsbook has grown substantially at Betsson during the past years and has become a prioritized product for continued growth. In addition to being a first-class product, this game forms a good introduction for our customers, who then go on to try out other products. Our offering is amongst the widest and deepest in the entire industry and in comparison it is one of the fastest and most attractive sports betting experiences available on the market.



SCRATCH CARDS

Betsson's scratch card offering is amongst the most extensive in the entire industry. Betsson offers a range of scratch cards with a jackpot win of one million euros to be paid out over a multi-year period. In addition, there are also more than 50 types of lottery tickets available. What all of these scratch tickets have in common is that they provide considerably better chances of winning than traditional scratch tickets. Our selection of scratch cards has a high payout rate and every third card is a winning ticket.



BINGO

We offer more than 50 bingo games where bingo cards can cost as little as 0,05€. In order for people to enjoy themselves at Bingo we have Bingo hosts who chat and socialize with our Bingo players on a regular basis.



GAMES

Games encompass all types of amusement, from lotteries to dice games. Players can try their luck at virtual horse and dog racing or play the Slotbox, which is Betsson's variation on the classic game of Tetris. Games attract players who have limited time but who still need a little excitement. Today Betsson offers over 60 different types of games.

In addition to this we continuously add new products and suppliers as opportunities and needs arise. We have a multi supplier strategy which makes it possible to always have the most attractive product mix to offer your customers. Betsson has since its start pushed innovation in its products and for us a top class product offering is essential for success in the market.

BUILDING ON THE OF

Betsson Business Solutions is a dedicated entity within the Betsson Group, acting as an independent B2B division for all of Betsson's brands. Betsson has a proven track record with numerous successful partnerships driven by three simple, but effective corner stones; fairness, growth and profitability.

Three corner stones:

FAIRNESS

GROWTH

PROFITABILITY



STRENGTHS EACH PARTNER



BETSSON BUSINESS SOLUTIONS IS THE PARTNER FOR OPERATORS, WHETHER THEY ARE LOOKING TO TAKE EXISTING GAMING ENVIRONMENT ONLINE, CAPITALIZE ON EXISTING ONLINE ACTIVITIES OR LOOKING TO GROW A NEW VENTURE ONLINE.

As a Betsson partner, clients will quickly be up and running with their online gaming business. We offer a turnkey solution including gaming license, games, technology, payment solutions, CRM, customer support and reporting tools. Betsson's partners will also benefit from the experience, knowledge and professionalism of Betsson as a group, helping leverage

on day-to-day operations, marketing activities and strategies that will help maximize investments and the lifetime value of customers. By partnering with Betsson, one of the fastest growing gaming companies in the industry, operators will also gain from our ongoing investments in product development and retention activities to grow their business.

Betsson works with local

marketing partners for Betsson.com in countries such as Brazil, Iceland, Peru and Serbia. Betsson also has substantial experience from white label operations as we run partnerships in Finland under the name www.suomiarnat.com, Sweden www.sverigeautomaten.com, Norway www.norgesautomaten.com, just to mention a few.

BETSSON BUSINESS SOLUTIONS OFFERS

A partnership with Betsson can be conducted in a number of ways, but we always try to make sure that we focus on doing what we do best, which is running a commercially successful gaming operation, and that the partners focuses on what it does best, which is acquiring customers.

Betsson can offer many different solutions depending on the partnership the client is looking for. View some of our examples below:

1. EXCLUSIVE	2. WHITE LABEL	3. INTEGRATED
MARKETING	PARTNERSHIP	WHITE LABEL
PARTNERSHIP		

We give our partner an exclusive right to market Betsson.com or one of our other brands in the local market. This partnership requires the partner to take part of the content of the site.

We develop a new brand which will be fully owned by the partner. The gaming service is a graphical interface on one of our brands, products or combination of products.

We integrate one or more of our products to the partner's existing portal or site. The partnership can be branded with the partner's brand or powered by one of our brands.

HOW IT WORKS

BETSSON +

- Products and platform
- Business operations
- iGaming know-how
- Technical support
- Customer support
- Payment solutions

PARTNER →

- Local knowledge & marketing
- Expertise on players
- Local brand

PARTNERSHIP

- Profit sharing of gaming surplus
- Continuous dialogue with partners concerning operative issues
- Joint planning meetings
- Strategic partnerships

SEVEN PRODUCT GROUPS

■ SPORTSBOOK AND LIVE BETTING

■ CASINO

■ LIVE CASINO

■ POKER

■ BINGO

■ SCRATCH CARDS

■ GAMES

COMPETITIVE ADVANTAGES

PACKAGING Betsson helps customers to identify their optimal product mix.

SUPPORT Betsson's customer services works in 17 languages, is open 24/7 and the people working there possess a thorough knowledge of our products.

PAYMENT SOLUTIONS Betsson leads the industry in this area and offers a considerable number of secure, easy-to-use alternatives for our customers.

OPERATIONAL SECURITY Betsson is continuously ranked high by the independent market survey companies Nielsen Online and hitwise regarding download times and operational stability.

TIME TO MARKET We have developed and launched a number of partner sites and consider ourselves to be the best in the business. We have our own technical team who assure highest quality and a short time to market.

PARTNER EXAMPLE

BETSIO.COM BetsIO offers a wide range of first-class online gambling products and games in a safe and user-friendly gaming environment. BetsIO's product portfolio currently includes: Sportsbook, Casino, Live Casino, Poker, Games, Scratch Cards and Bingo.

NORSKELODD.COM A unique site tailored to appeal to the Norwegian market. The site offers games from multiple suppliers with one single wallet. Customer can win up to 1M.EUR on scratch tickets, and high jackpots are available in the casino.

FRANCHISEE BETSSON.COM Betsson.com has several local partnerships where we give our partner an exclusive right to market Betsson.com in the local market.





CURRENT TRENDS:

LIVE SPORTS BETTING AND JOINT VENTURES

There are two important trends in the gaming industry today. One is that Live betting in sports is increasing and the second is that operators are focusing on joint online gaming solutions with other companies. Betsson is well positioned as regards to these trends, with a history of successful cooperation and the strongest growing Live betting operation in Sports.

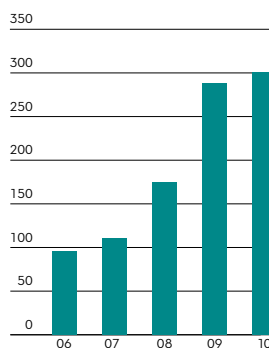
Today, Betsson offers one of the world's best sportsbooks, and this is something players in the Nordic region, as well as in other regions, have become aware of. Betsson can, therefore, report a growth of 78 percent in sportsbook for the full year 2010.

At the same time, Betsson has shown that the company is a technically leading B2B-supplier of a gaming platform, which is in demand in a

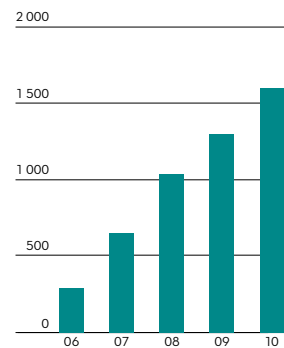
variety of global locations.

A major aspect of Betsson's business model has always been about strategic partnerships and it has proved to be a successful one. In 2010 and beginning of 2011, Betsson has shown that the company is an attractive business partner also outside the EU, with a newly established company for software development and B2B partnerships in China and India.

THE DEVELOPMENT OF ACTIVE PLAYERS, THOUSANDS



TURNOVER 2006-2010 SEK MILLION



**ONLINE GAMING
DRIVING FORCES**

Developments driving the growth of global online gaming include:

INCREASED INTERNET PENETRATION

Increased access to the Internet in households leading to additional potential players.

IMPROVED BROADBAND CAPACITY

Improved bandwidth enables increasingly advanced gaming functions, which attracts more potential players.

MOBILE DEVICES

Mobile devices like smartphones have been key drivers of growth in 2010 and we expect this trend to continue in the coming years.

INCREASED CONFIDENCE IN ONLINE PAYMENT SERVICES

Confidence in online gaming operators and payment services is on the rise, which contributes to the increase in the number of potential players.

TRANSFORMATION OF GAMING AS A GROUP PASTIME

An increasing number of people play online, instead of traditional offline gaming. For younger players who have grown up with the Internet, online gaming is an obvious attraction.

INCREASED DEMAND FOR LIVE BETTING

In recent years we have seen an increased demand in Live betting, mainly on sports events. Betsson is, through its Sportsbook, well positioned to capitalise on this trend.

”
A MAJOR ASPECT OF BETSSON'S BUSINESS MODEL HAS ALWAYS BEEN ABOUT STRATEGIC PARTNERSHIP.



38100000

OPERATING PROFIT 2010
A 20% INCREASE
FROM 2009.

THE FUTURE IN PLAYER PROTECTION

Betsson has achieved and maintained its top position amongst the world's most socially responsible operators for the third year running. This has been done through targeted training of key personnel who are keen on providing the best possible customer service, continuous development and adaptation to customer needs.

The future in player protection is very likely to be in making more voluntary tools available which are highly adaptable to and by the individual player in order to match their needs and preferences. It is vital to strike a balance between excitement and safety, which is something that Betsson has accomplished.

Player protection considerations are part and parcel of every day work at Betsson, be it when in live interaction with the customers, when creating campaigns, selection of products or in the management of customer relationships. Betsson is one of the first online companies to seek external certification and accreditation by the Global Gambling Guidance Group (G4) made up of highly reputable international responsible gaming experts.

IN-HOUSE EXPERTISE

Betsson was one of the first online gaming companies to

create a full time position in 2007 wholly dedicated to responsible gaming. This results in regular staff training and updating on new research as well as the availability of 24/7 hands on consultancy in all issues related to responsible gaming. Another vital factor is the commitment by the personnel on all levels in the company to create a safe and fun gaming experience which is part of a greater framework of values that unites and moves the company forward in a fundamental manner.

RESEARCH AND PREVENTIVE MEASURES

Another important emphasis is Betsson's commitment to research and preventive measures that would enable Betsson and the gaming industry, in general, to adopt more harm minimizing measures, but which are evidence-based rather than being guided solely by political interests.

In 2010, Betsson extended its student research award schemes to include Malta and Germany in addition to the twice yearly student awards in Sweden. The scheme is expected to be extended to additional European countries during 2011.

A COLLABORATIVE AND COMPREHENSIVE APPROACH

Stakeholder interests and analysis have been given increased importance and this is expected to grow. This will be important to work with further in terms of Betsson's future development in relation with the players, suppliers, investors or authorities.

Betsson has always promoted the importance of dialogue with all stakeholders and therefore welcomed the opportunity to participate in a seminar, on invitation by the Swedish Gambling and Lotteries Authority, together with representatives from the Swedish gambling scene.

SUSTAINABILITY IN THE LONG TERM

Long term sustainability of the gaming industry does require investments in preventing and minimizing the possible harms of gambling. Problem gambling is the most severe bi-product of an otherwise very environmentally friendly industry, at least in respect of online gambling which, in contrast to land-based gaming, does not put a strain on natural resources, nor do its customers have to travel to any gambling venues.

Betsson has been internationally recognized as a role model for responsible gaming as an integral part of day to day business including medium to long term business strategy and has therefore been invited to present their take on online player protection at GIGSE in Montreal and at the G2E in Las Vegas, just to mention a few highlights of 2010.



BETSSON HAS BEEN INTERNATIONALLY REGOGNIZED AS A ROLE MODEL FOR RESPONSIBLE GAMING.



The very first Maltese Betsson student awards held in September 2010 showing our CEO together with Michele Sammut who had carried out a prevalence study on problem gambling among students attending the university of Malta.

EXAMPLE WHERE BETSSON CONTRIBUTE TO THE SOCIETY

EMERGENCY AID TO HAITI

On January 12, 2010, Haiti was hit by the region's worst earthquake ever. The death toll is believed to be 212,000 and around 300,000 were injured. In addition, it is expected that around one million people have been left homeless after the earthquake.

Betsson has contributed to the Red Cross efforts in the reconstruction of Haiti. Betsson feels that it is important to be involved in assistance to alleviate the most acute and immediate effects of the earthquake and to provide humanitarian assistance in one of the world's poorest countries.

BETSSON SUPPORTS "MIN STORA DAG"

Min Stora Dag (My Big Day) helps seriously ill children in Sweden to realize their dreams. Children are 3-18 of age and live in Sweden. The Foundation arranges group events in hospitals and also camp activities. Assistance is individual and it is the children's needs and desires which determine the activities. Activities are volunteers and volunteer efforts. Currently there are about 125 volunteers in Sweden. Min Stora Dag is driven by contributions from foundations, businesses and individuals and its 1990 accounts is monitored by the Foundation for Fundraising Control.

The doctors at the University Hospitals in Sweden identify those children who could be wishing for a "Big Day". A "Big Day" is a break in the child's life at the hospital when the days are long and involved demanding treatment. Imagine being able to attend a concert with your favourite artists, ride a motorcycle, have your own pony or meet your idols.

WORKING AGAINST CHILD SEX TRAFFICKING

Betsson supports ECPAT that was formed in 1990 after a group of children rights representatives in Thailand found that the commercial sexual exploitation of children is not about individual cases, but a rapidly growing sex industry. ECPAT Sweden is part of ECPAT International, whose network spans over 84 countries. ECPAT Sweden is a non-profit organization that works to prevent and stop all forms of trafficking of children, including child pornography, trafficking and child sex tourism.

ECPAT Sweden is working on prevention against trafficking of children through policy work and codes of conduct against the industry, agencies and organizations. The goal is to get more players in the community to combat child sex trade in Sweden and abroad. Thousands of tourists, businessmen and others travel annually to other countries and some sexually exploit children, but the commercial sexual exploitation of children is also available in Sweden. ECPAT and its action is therefore needed both in Sweden and abroad.

BETSSON STRONGER THAN A STRONG

The fact that Betsson continues to expand at a pace quicker than the market, and with very good levels of profitability, is a proof of that the company is using the right strategy.

Over the last few years, Betsson has shown considerable growth. During the last three-year period, turnover increased by 23 per cent and the number of employees by 108 per cent. Active customer numbers have risen

during the same period by 79 per cent. While growing at a fast pace, the company has, still, retained good levels of profitability and financial stability.

MATURE INTERNET AUDIENCES DEVELOP THE GAMING MARKET

Betsson believes that the market for gaming over the Internet will continue to perform strongly. The number of Internet users is growing

rapidly, which is a significant driving force in the industry. But at the same time, large parts of the world's population still have no, or inadequate, access to the Internet.

In regions where the Internet is available, we see increased confidence in online shopping and more and more users turn to the web for banking, stock trading, insurance, bookings and other online activities. This changing behaviour and increasing

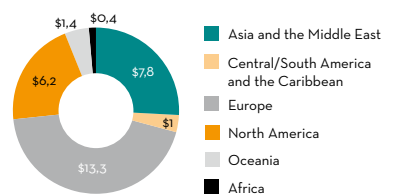
confidence in online services and e-commerce is important for the development of the gaming market.

H2 Gambling Capital estimated in January 2011 that the European gaming market on the Internet will increase by 15.2 per cent to 15.3 billion USD during 2011. Betsson intends to continue to grow more than the market. High customer deposits and high activity level at Betsson sites indicate continued strong growth.

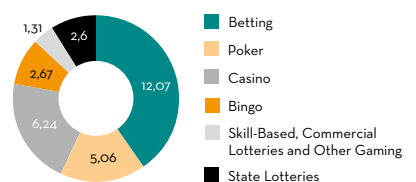
GROWTH 2010



INTERNET GAMBLING BY PLAYER REGION 2010 (US\$M)



INTERAKTIVE GROSS GAMBLING YIELD BY PRODUCT 2010



Source: H2 Gambling Capital

MARKET

As in 2009, Betsson continued to grow at a faster rate than the market during 2010 (23 per cent). This has occurred during a period when the online gaming market was, admittedly, growing rapidly but at the same time as competition was becoming tougher.

FIVE-YEAR SUMMARY

Amount in SEK million unless otherwise stated

	2010	2009	2008	2007	2006
Total					
Revenues	1,603.2	1,299.7	1,037.8	649.0	293.6
Gross earnings (gaming surplus)	1,282.1	1,045.0	828.1	520.8	232.2
Operational earnings	380.6	316.9	276.6	189.9	18.9
Earnings before tax	365.7	303.3	267.3	179.4	32.0
Liquid assets	497.1	529.1	373.2	232.7	77.2
Equity	825.6	820.4	720.2	623.5	491.3
Gaming surplus per geographical area					
The Nordic countries	587.1	605.0	478.2	351.4	158.0
EU except the Nordic countries	153.4	139.7	97.2	66.3	28.8
Other Europe	533.9	295.9	250.4	89.3	34.1
Other world	7.7	4.4	2.3	1.5	6.1
Total gaming operations	1,282.1	1,045.0	828.1	508.5	227.0
Other operations, adjustments	0.0	0.0	0.0	12.3	5.2
Group Total	1,282.1	1,045.0	828.1	520.8	232.2
Gaming surplus per product					
Casino	745.4	670.4	481.3	254.2	126.8
Poker	106.7	131.9	158.5	193.0	83.1
Sportsbook	367.7	206.6	159.0	56.8	14.6
Other products	62.3	36.1	29.3	4.5	2.5
Total gaming operations	1,282.1	1,045.0	828.1	508.5	227.0
Other operations, adjustments	0.0	0.0	0.0	12.3	5.2
Group Total	1,282.1	1,045.0	828.1	520.8	232.2
Other key figures					
Customer deposits (MSEK)	3,894.1	3,258.0	2,279.7	1,346.6	748.8
Number of registered customers (thousands)	3,158.2	2,117.8	1,499.9	996.2	543.6
Number of active customers (thousands)	300.5	288.7	167.4	107.0	92.6
Average number of employees	268	225	154	106	71
Number of employees at year end	282	258	185	136	95
Number of shareholders	11,484	9,905	5,790	5,952	3,256
Stock exchange value at year end (MSEK)	4,627.8	4,341.0	2,709.4	3,292.8	862.3
Earnings per share (SEK) remaining operations	9.32	7.73	6.81	4.55	0.82
Equity per share (SEK)	20.96	20.91	18.34	15.85	12.41
Dividend or equivalent per share (SEK)*	7.00	9.00	5.10	5.00	0.50

* proposed

THE WORLD OF BETSSON

Betsson is a truly international company and what better way to illustrate this than by looking at the people who work there. The people working at Betsson consist of 23 nationalities from five continents. Thanks to this diversity, Betsson is able to listen and speak to its customers, wherever in the world they may be.

23

NUMBER OF NATIONALITIES AMONG OUR EMPLOYEES



Betsson has developed into an attractive employer, who offers employment in a profitable and fast-growing company where the employees are offered interesting and challenging tasks. These are factors that motivate and spur people on, regardless of where you come from. This is part of the reason why Betsson is such an international company.

Today, Betsson has one of the most competent and efficient organizations in this industry. Competent and motivated employees are crucial in order to create and meet future growth in Europe and elsewhere in the world.

Betsson is, and is supposed to be, the most dynamic and attractive workplace possible. One important factor for success is employees who are capable of, and do, take their own initiative. Innovation and new approaches are encouraged,

and all employees are delegated considerable amounts of responsibility.

Between 2009 and 2010, Betsson's workforce increased by 9 per cent. With such a large number of new employees, it is vital that routines and introductions are as smooth and efficient as possible. There are a number of well-constructed introductory programmes established within the company which ensure that new employees, as well as being clearly briefed on their professional role, also gain knowledge of the gaming market and Betsson's values.

Betsson also continues to have a high Employee Satisfaction Index with 75 out of 100 in the Employee Survey that was carried out in February 2011. One of the strengths that the survey shows is the very high employee dedication.

AUSTRALIAN, BRAZILIAN, BRITISH, SOUTH AFRICAN, BULGARIAN, CHINESE, DANISH, DUTCH, FILIPINO, FINNISH, GERMAN, GREEK, HUNGARIAN, MALTESE, NORWEGIAN, POLISH, RUSSIAN, SERBIAN, SWEDISH, SWISS, FRENCH, TURKISH & UKRANIAN.

WE ARE LOOKING FORWARD TO

Icehockey, World Championships 2012, Finland/Sweden
 Athletics, World Championships 2011, South Korea
 Football, Champions League Final 2011, London England
 Super Bowl 2012 Indianapolis, US

US Elections 2012
 Nobel Peace Prize 2011, Oslo Norway
 Eurovision Song Contest 2011, Düsseldorf Germany
 Academy Awards 2012, Los Angeles US



BUILDING ON OUR CORNERSTONES

Betsson has been growing for several years and established itself as a major player in the gaming industry. This is due to a combination of offering innovative games, being a reliable partner, developing robust technology and having a responsible approach to everything the company does.

These are the cornerstones that Betsson will continue to build on for the future. By being a responsible and reliable partner, with innovative games and robust technology, Betsson is in a great position to expand on an ever changing and growing global gaming market.

POTENTIAL IN ITALY

Italy is the largest online gaming market in Europe, with

an estimated turnover of Euro 4.8 billion last year and a growth rate of 28 per cent. The gaming authority, AAMS has published a decree which allows existing licensees to offer Casino and Cash Poker Games, making the market even more attractive.

Betsson signed, in early 2011, an agreement aimed at entering into a Joint Venture with G.Matica Srl.

POTENTIAL IN ASIA

In 2010, Betsson has put its feet on Asian soil through the establishment of a software development company in India. The company will develop software both for Betsson's current markets in Europe, as well as for new ventures in Asia. This regional focus has resulted in contracts with Asian players and Betsson expects revenues

already in 2011. Asia is an extremely interesting market, not only because of its enormous size, but also due to its interest in gaming.

112 YEARS' EXPERIENCE



JOHN WATTIN (Chairman)

Born in 1947, Stockholm.
Board member since 1989.
CEO of Investering i Kunskap AB.
John possesses many years of international experience of board work, with an emphasis on company development and transformation in listed and unlisted companies. He is one of the founders of Enator, Sigma and a number of other companies. John has been working with his own investments for the last 15 years.



KICKI WALLJE-LUND

Born in 1953, Nyköping.
Board member since 2006.
CEO of Wellnet AB.
Kicki has experience of business and operational development from various international companies in which she has primarily worked within the banking and finance business areas. Kicki has held senior positions at NCR, Digital Equipment, AT&T, Philips, ICL and Unisys.



CARL LEWENHAUPT

Born in 1958, Stockholm.
Board member since 2008.
CEO of the advertising agency Calleolle AB.
Carl is Creative Director and possesses many years of experience of international marketing. He has founded, owned and operated several advertising agencies. Carl studied at IHR Stockholm, NYU in New York and at the School of Visual Arts in New York. Carl is a member of the Platinum Academy.



PER HAMBERG

Born in 1943, Ekerö.
Board member since 1974.
Per is one of the co-founders of Betsson AB (formerly Cherryföretagen AB). He has worked as CEO for some periods and has also been Board Chairman of the Group and its subsidiaries. Per previously studied business administration and political science.



LARS LINDER-ARONSON

Born in 1953, Saltsjöbaden.
Board member since 2008.
Lars possesses many years of experience of the finance and capital markets primarily within investment banking in London, New York and Stockholm. Previously, he was Head of Enskilda Securities and has worked for the investment bank Dillon, Read & Co. Lars graduated in business studies from the Stockholm School of Economics.



PATRICK SVENSK

Born in 1966, Stockholm.
Board Member since 2005.
Patrick Svensk possesses experience from various management positions in listed companies. His latest position was as CEO and Head of Group for Zodiak Television. Previously he has worked as CEO of Kanal5 and TV3 Sweden. Patrick graduated in business studies from the Stockholm School of Economics.

OF GAMING



PONTUS LINDWALL

President and CEO,
Betsson AB
Born in 1965, Stockholm.
Employed by the group since 1991.



FREDRIK RÜDÉN

CFO, Betsson AB
Born in 1970, Nacka.
Employed by the group since 2008.



MAGNUS SILFVERBERG

CEO, Betsson Malta Ltd
Born in 1973, Malta.
Employed by the group since 2009.



FREDRIK NILSSON

CFO, Betsson Malta Ltd
Born in 1973, Malta.
Employed by the group since 2004.



PIERRE DE BOER

CEO, Betsson
Technologies AB
Born in 1969, Stockholm.
Employed by the group since 2008.



MARTIN THORVALDSSON

CEO, bsg ltd and Group General
Counsel
Born in 1970, Gibraltar.
Employed in the group since 2010.

Betsson AB (publ)
Regeringsgatan 28
SE-111 53 Stockholm
Ph: +46 (0) 8 506 403 00

info@betssonab.com
www.betssonab.com

Betsson Malta Ltd.
G.B. Buildings, Watar Street
Ta'Xbiex, XBX 1301, Malta
Ph: +356 22 603 300

www.betsson.com
www.casinoeuro.com
www.cherrycasino.com
www.affiliatelounge.com

Betsson Business Solutions
c/o Betsson Services
G.B. Buildings, Watar Street
Ta'Xbiex, XBX 1301, Malta
Ph: +46 (0) 8 506 403 00

www.betssonbusiness.com

