



Unibet Group plc
Interim report January - September 2012

- **Gross Winnings Revenue** amounted to **GBP 43.8 (37.8) million** for the third quarter of 2012 and **GBP 140.3 (109.7) million** for the period January to September 2012.
- **Profit from operations** for the third quarter 2012 amounted to **GBP 4.5 (8.2) million** and **GBP 22.6 (26.6) million** for the period January to September 2012. Excluding a one off tax payment of **GBP 2.6 million**, profit from operations for the third quarter 2012 would have been **GBP 7.1 million**.
- **Profit before tax** for the third quarter of 2012 amounted to **GBP 4.0 (8.2) million** and **GBP 22.1 (26.2) million** for the period January to September 2012.
- **Profit after tax** for the third quarter of 2012 amounted to **GBP 3.4 (7.5) million** and **GBP 19.8 (24.2) million** for the period January to September 2012.
- **Earnings per share** for the third quarter of 2012 were **GBP 0.120 (0.269)** and **GBP 0.710 (0.864)** for the period January to September 2012.
- **Operating cash flow before movements in working capital** amounted to **GBP 8.7 (10.7) million** for the third quarter 2012 and **GBP 34.2 (33.5) million** for the period January to September 2012.
- **Number of active customers** at the end of the quarter was **382,378 (325,194)**.

“Strong start to October”

“Gross winnings revenues in the third quarter were impacted both by the late start of European football seasons and by the effect of translating results from European currencies into the stronger GBP compared to the third quarter 2011. Sports margins were lower than average in September, but the overall margin for the third quarter was within the normal range.”

“Compared with the third quarter 2011 this quarter is negatively influenced by FX movements on Unibet’s main currencies. If the average exchange rates for the third quarter 2011 were applied to this quarter, gross winnings revenue would be approximately GBP 46.8 million and underlying profit from operations would be approximately GBP 9.8 million.”

“Costs within the business remain under good control, which allowed us to deliver a robust result. The quarter was however impacted by the one-off cost of GBP 2.6 million related to Spanish tax.”

“The award of a A+ licence in Belgium for unibet.be means that we in cooperation with Rank, shall shortly be live with all products in this newly regulated market with betting duties of 11 per cent of gross gaming revenue.”

“It is also encouraging to see the continuing momentum in our Kambi B2B business, as more customers recognise the value of the proposition.”

“Daily gross winnings revenues in the first four weeks of October have been up 29 per cent compared to the third quarter. Compared to the same period in October 2011, underlying gross winnings revenues in local currency are more than 20 per cent higher as a result of volume growth, as sportsbook margins are very similar to last year”, says Henrik Tjärnström, CEO of Unibet.

Today, Wednesday 31 October 2012, Unibet’s CEO Henrik Tjärnström will host a presentation in English at FinancialHearings, Operaterrassen in Stockholm at 9.00 CET.

Please go to www.financialhearings.com to sign in.

For those who would like to participate in the telephone conference in connection with the presentation, the telephone number is UK: +44 (0) 20 7108 6303 US: +1 8666 765 870

Please call in, well in advance and register.

The presentation is also web cast live on www.unibetgroupplc.com.

SUMMARY TABLE Q3 AND PRIOR YEAR

This table and the contents of this announcement are unaudited

GBP	2012 GBPm	Q3	2011 GBPm	Jan - Sep		Full Year 2011 GBPm	Rolling 12 months ³ GBPm
				2012 GBPm	2011 GBPm		
Gross winnings Revenue	43.8		37.8	140.3	109.7	154.4	185.0
EBITDA ¹	8.6		10.6	35.7	33.1	48.0	50.6
Profit before tax	4.0		8.2	22.1	26.2	38.1	34.0
Profit after tax	3.4		7.5	19.8	24.2	35.5	31.0
Net cash ²	11.7		24.2	11.7	24.2	14.3	
Bank debt	19.8		-	19.8	-	-	
	GBP		GBP	GBP	GBP	GBP	GBP
EBITDA ¹ per share	0.309		0.379	1.282	1.181	1.718	1.820
Earnings per share	0.120		0.269	0.710	0.864	1.270	1.117
Net cash ² per share	0.415		0.856	0.415	0.856	0.506	

SEK	2012 SEKm	Q3	2011 SEKm	Jan - Sep		Full Year 2011 SEKm	Rolling 12 months ³ SEKm
				2012 SEKm	2011 SEKm		
Gross winnings Revenue	466.9		394.0	1,508.3	1,142.6	1,606.6	1,972.3
EBITDA ¹	91.9		110.2	383.7	344.7	499.3	538.3
Profit before tax	42.4		85.4	237.2	273.4	396.5	360.3
Profit after tax	35.7		78.1	212.6	252.1	369.1	329.6
Net cash ²	124.2		258.3	124.2	258.3	152.6	
Bank debt	209.4		-	209.4	-	-	
	SEK		SEK	SEK	SEK	SEK	SEK
EBITDA ¹ per share	3.293		3.953	13.788	12.307	17.882	19.363
Earnings per share	1.280		2.802	7.639	9.003	13.220	11.855
Net cash ² per share	4.394		9.141	4.394	9.149	5.399	

	No.	No.	No.	No.	No.	No.
Active customers	382,378	325,194				
Registered customers (million)	7.0	5.7	7.0	5.7	6.2	

Currency rate Q3 12 average: 1GBP = 10.659 SEK, Q3 11 average: 1GBP = 10.420 SEK, FY 11 average 1GBP = 10.406 SEK, 2012 YTD average 1GBP = 10.753 SEK, 30 September 2012 1GBP = 10.588 SEK, 30 September 2011 1GBP = 10.683 SEK, 31 December 2011 1GBP = 10.669 SEK.

Unibet reports in GBP and the SEK figures presented above at period end rates are for information only and are not intended to comply with IFRS.

¹ EBITDA = Profit from operations before depreciation & amortisation.

² Net cash = Total cash at period end less customer balances.

³ Rolling 12 months consists of 12 months ended 30 September 2012.

Unibet Group plc

Significant events during the third quarter of 2012

On 11 July 2012, Unibet launched sports betting on **unibet.be** for the Belgium market.

On 14 August 2012, Unibet signed a strategic partnership agreement with Rank to be able to offer a full casino and poker products offering online on **unibet.be** for the Belgium market.

Significant events after the period end

On 17 October 2012, an A+ licence in Belgium was awarded for **unibet.be** which means that in cooperation with Rank all products will shortly be live on **unibet.be**.

During October 2012, Kambi has signed two additional full service contracts to provide sportsbook to Napoleon Games and Mediaset. These services are expected to become operational in early 2013. Kambi has also gone live during October with Acrismatic, and expects Egasa to become operational in the coming months.

Market

Unibet is one of Europe's leading companies in Moneytainment, operating in 27 different languages in more than 100 countries. Unibet offers pre-game sports betting, live betting, poker, casino and games on **unibet.com**, **unibet.it** and **unibet.dk** and pre-game sports betting, live betting, French horse racing and poker on **unibet.fr**. On **unibet.be** pre-game sports betting and live betting is offered and on **unibet.com.au** sports betting and racing is offered to the Australian market. Through the Maria brand, Unibet offers bingo, lotteries, poker, casino and games on **maria.com** and casino and poker on **mariacasino.dk**. Unibet also offers Sportsbook B2B services through Kambi Sports Solutions, **kambi.com**.

While Unibet's core markets are in Europe it addresses global markets, excluding only territories that Unibet has consistently blocked for legal reasons such as the USA, Turkey and similar markets.

Current products

Sports betting

Unibet's pre-game sports betting and live betting service offers a comprehensive range of odds on a variety of international and local sports events, to a worldwide customer base (excluding restricted markets as described above) 24 hours a day, 7 days a week. Bets are placed via Unibet's sites or via mobile devices.

The final match of football's European Championships 2012 kicked off on 1 July with Spain against Italy. It was another strong display from the Spanish team as they beat Italy 4-0 with this match being the biggest pre-game turnover event and the second biggest live betting event of the period. In August, the major European Football leagues resumed with matches such as Everton v Manchester United in the English Premier League and Rayo Vallecano v Real Madrid in Spain's La Liga, two of the biggest turnover matches of the quarter. September welcomed the start of the Champion's League and Europa League football competitions with Real Madrid v Manchester City being one of the most entertaining matches of the first round as Real Madrid scored two goals in the last 5 minutes to win the match 3-2. As well as football, other big pre-game sports in the quarter were tennis, baseball and ice hockey.

For the first time and in the majority of its markets, Unibet streamed the 2012 US Open tennis major. The streaming gave an increase to the live betting turnover throughout the US Open. The final between Andy Murray and Novak Djokovic was the biggest live betting event of the quarter, with the Scot prevailing in a five set thriller. Wimbledon tennis also took place in early July with the final between Federer and Murray one of the live betting turnover highlights. The World Cup Qualification football matches for Brazil 2014 kicked off in September with Netherlands v Turkey and England v Ukraine being two of the highest turnover live matches in the third quarter. Aside from tennis and football, other big live betting sports in the quarter were basketball and volleyball.

The summer of 2012 also benefitted Unibet with a 'one off' pre-game and live betting turnover uplift as London hosted the Olympic Games. Unibet had one of the biggest betting offers in the world, with odds on every event pre match as well as a wide and extensive live betting offer. The Olympic tennis final between Federer and Murray, which saw Murray win a Gold medal, and the Olympic basketball match between Team USA and Argentina, which Team USA won 126-97, were two of the biggest live betting events of the third quarter. Pre-game saw big turnover for athletic events and in particular the 100m men's final with bets on Gold medallist Usain Bolt, football, where Mexico caused a shock by beating Brazil 2-1 in the final and other events such as cycling, rowing, swimming and beach volleyball.

Unibet streamed over 3,500 events in the third quarter providing pictures from all around the globe, at all hours of the day, from high profile events such as Wimbledon and US Open tennis, World Cup Qualifier football matches, La Liga and Dutch Eredivisie football leagues, to sport events such as snooker, darts, table tennis and volleyball, which provide betting opportunities during traditionally quiet periods.

The majority of Unibet's business is largely determined by the seasons for key sports such as the major football leagues in Europe, major golf and tennis tournaments as well as ice hockey leagues in the Nordic countries and North America. The seasonality of these events results in fluctuations in the Group's quarterly performance, especially in terms of Gross Turnover. However, quarterly results can also vary widely, due to the volatility of gross winnings margins in sports betting. Please also refer to page 4 for more information about the margin.

Casino

The Unibet browser casino features more than 200 games including Roulette, Blackjack, Video Slots and Video Poker. Customers are offered a variety of promotions including free spin offers and regular tournaments with large prize pools. Whilst old favourite games like Dallas and Gonzos Quest remain popular, new games including Jack Hammer 2, Zombies and Beach are proving successful.

Unibet's Live Casino offer players authentic casino action in their own home, featuring high quality live video streaming of real casino croupiers. This quarter saw the launch of a new Roulette table featuring Swedish speaking dealers, which has further broadened the appeal of the product.

Games

Unibet Games offers players keno and lottery style games, alongside slots and hi-lo and exclusive games such as Kronosautomaten.

During the third quarter of this year the games products continued to grow, assisted by some high quality new games releases including 'The Dark Knight' based on the Batman film, Megadeth based on the band of the same name, and Random Runner, a popular game in Holland which is exclusive to Unibet.

Poker

During a traditionally low period of the year for poker, Unibet Poker managed to buck the trend and continue in a positive fashion. A good influx of operators to the Microgaming network during the autumn will result in a good increase of liquidity and serve to be an added catalyst for Unibet poker's growth going into the fourth quarter and next year.

Unibet Open London proved to be a hit again with the players. With a lot of attractive promotions based around the 5th Unibet Open anniversary in Sint Maarten in December, this tournament has started to show good results.

Bingo

To tie in with the Olympic mania over the summer months, Unibet bingo launched an Olympic themed bingo. Players could pick their choice of 10 athletes to cheer to victory and if their chosen athlete was first to the finish line they won additional prizes.

September saw the launch of a new bingo side game, Fireworkz Blitz. Based on the ever popular Bouncy Balls side game, the new version of the game launched with a GBP 1 million progressive jackpot. The total daily guaranteed bingo prizes hit a record high in September with guarantee GBP 200,000 to be paid out daily.

Maria

Maria.com is the female brand in the Unibet family. Apart from the site Maria.com the business area also drives a white label network with several bingo and casino brands, such as Bingo.se, Bingo.com, VioletCasino.com and AmorBingo.com. While both Bingo and Casino & Games drive acquisition numbers and new customers, Casino & Games is the main source of revenues, representing over 70 per cent of gross winning revenue.

The Maria.com site has a completely new design which was launched in the middle of the third quarter of 2012. The design appeals to the female target group and together with the migration to the new Unibet platform, which also happened during the quarter, it gives the possibility to offer a more personalised experience to the customers. Another major milestone was Maria.com mobile, offering casino games, which was introduced in late August, and immediately saw lots of interest from current and new players. In September Maria.com also, for the first time ever, launched a TV commercial in the UK.

Financial review

The financial information has been presented in accordance with International Financial Reporting Standards and IFRIC interpretations as adopted by the European Union. The accounting policies remain unchanged from the last published Annual Report and Accounts for the year ended 31 December 2011.

Gross winnings revenue

Gross winnings revenue on sports betting represents the net receipt of bets and payouts for the financial period, as reduced for Free Bets. Free Bets are bonuses granted or earned in connection with customer acquisition.

Gross winnings revenue for sports betting amounted to GBP 17.5 (14.5) million for the third quarter of 2012. Of this 21 per cent comes from the fast growing mobile channel. For the period January to September 2012, gross winnings revenue for sports betting amounted to GBP 61.2 (42.2) million.

In the third quarter of 2012, Live betting accounted for 62.9 (61.2) per cent of turnover on sports betting, excluding Free Bets, and 43.8 (44.5) per cent of gross winnings revenue on sports betting, excluding Free Bets.

Gross winnings revenue for other products amounted to GBP 26.3 (23.3) million for the third quarter of 2012. For the period January to September 2012, gross winnings revenue for other products amounted to GBP 79.0 (67.4) million.

Please refer to page 12 for more information on gross winnings revenue per region and products.

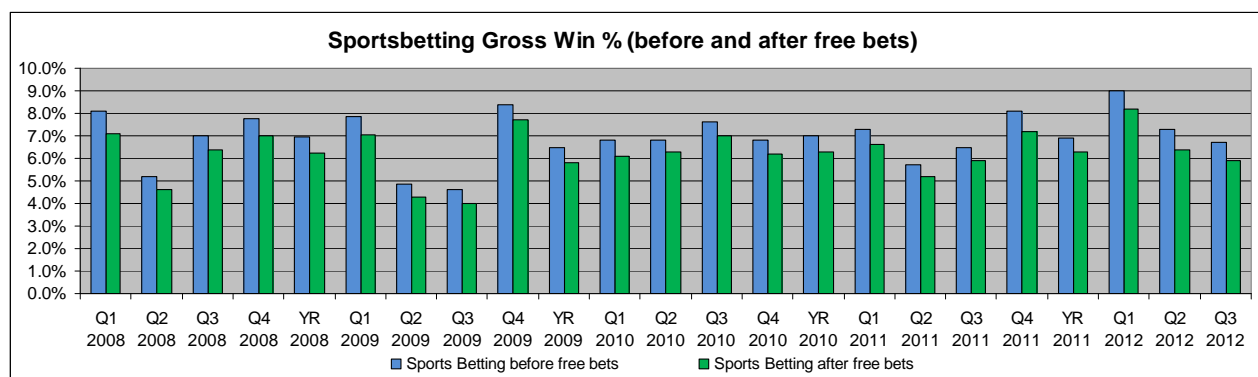
Gross margin on sports betting

The gross margin for pre-game sports betting before Free Bets for the third quarter 2012 was 10.2 (9.3) per cent.

The gross margin for total sports betting for the third quarter 2012 before Free Bets was 6.7 (6.5) per cent. The gross margin for total sports betting for the third quarter 2012 after Free Bets was 5.9 (5.9) per cent.

Please refer to page 13 for more information on sports betting margins.

Sports betting gross margins can vary quite significantly from one quarter to the next, depending on the outcome of sporting events. However, over time these margins will even out. This can be seen in the table below. The bars show sports betting gross margin per quarter and full year.



Customers

For the third quarter of 2012 the number of active customers amounted to 382,378 (325,194) compared with 427,207 for the second quarter 2012. An active customer is defined as one placing a bet in the last three months.

The total number of registered customers has continued to increase during the quarter and was 7.0 (5.7) million at 30 September 2012, whilst at 30 June 2012, over 6.7 million customers were registered.

Cost of sales

Cost of sales includes revenue share, affiliate costs, betting duties and other costs of sales. The betting duties were GBP 2.5 (0.5) million and the marketing related revenue share and affiliate cost were GBP 2.9 (2.9) million for the third quarter of 2012. The betting duties for the period January to September 2012 were GBP 8.2 (1.1) million and marketing related revenue share and affiliate cost for the period January to September 2012 amounted to GBP 8.9 (9.1) million.

Unibet made a one-off payment to Spanish tax authorities, covering betting duties, interest and penalties, of EUR 3.2 million (approximately GBP 2.6 million) and recognised this as an additional expense in the third quarter ended 30 September 2012.

This is a non-recurring item related to historic activities, as Unibet did not apply for a B2C gaming licence under the new Spanish gaming law and does not currently target the Spanish market.

Gross profit

Gross profit for the third quarter 2012 was GBP 38.0 (34.0) million. Gross profit for the period January to September 2012 was GBP 121.9 (98.7) million.

Operating costs (Marketing and Administrative expenses)

Operating costs include all indirect costs of running the business and are a combination of activity-related costs and fixed costs such as marketing, salaries etc. During the third quarter of 2012, ongoing operating costs were GBP 29.9 (24.3) million. Of the operating costs in the third quarter, GBP 10.0 (9.1) million were marketing costs and GBP 9.2 (6.8) million were salaries. Please refer to the note on Employees on page 7 for information about changes in Kambi's operations during the third quarter.

Operating costs in the third quarter 2012 were influenced by a loss of GBP 0.3 (loss of 1.5) million in respect of foreign exchange on operating items.

During the period January to September 2012, ongoing operating costs were GBP 92.7 (69.7) million. In the period January to September 2012, marketing expenses were GBP 33.4 (25.6) million, and salaries were GBP 26.6 (18.8) million.

Of the administrative expenses for the third quarter 2012 GBP 4.1 (3.0) million is related to Kambi Sports Solutions and of this cost GBP 1.1 (0.9) million is specifically related to the B2B business. Kambi's capital expenditure in the third quarter was GBP 1.2 (1.7) million, of which GBP 0.7 (1.5) million is related to the B2B business.

Q3 FX rates

The following FX rates are those used for translation of the Group's SEK, NOK, DKK and EUR Balance Sheet items into GBP on 30 September 2012:

Balance sheet rates:

Rate to GBP	31-Mar-12	30-Jun-12	30-Sep-12	Q3 vs Q2 Delta
SEK	10.607	11.017	10.588	-3.9%
NOK	9.119	9.337	9.234	-1.1%
EUR	1.199	1.252	1.253	0.1%
DKK	8.922	9.213	9.342	1.4%

P&L averages for the quarter:

Rate to GBP	Avg Q1 12	Avg Q2 12	Avg Q3 12	Q3 vs Q2 Delta
SEK	10.608	10.993	10.659	-3.0%
NOK	9.091	9.325	9.338	0.1%
EUR	1.198	1.234	1.263	2.4%
DKK	8.910	9.173	9.406	2.5%

EBITDA and Profit from operations

Earnings before interest, tax and depreciation and amortisation (EBITDA) for the third quarter of 2012 was GBP 8.6 (10.6) million. EBITDA for the period January to September 2012, was GBP 35.7 (33.1) million.

Profit from operations for the third quarter 2012 was GBP 4.5 (8.2) million. Profit from operations for the period January to September 2012 was GBP 22.6 (26.6) million.

Development and acquisition costs of intangible assets

In the third quarter of 2012, expenditure of GBP 3.3 (2.5) million has been capitalised, before amortisation, bringing the period January to September 2012 total to GBP 11.2 (8.0) million. The key drivers to the increase in capitalised development costs during 2012 are a response to local licensing requirements and development of the Kambi business during the period.

Finance costs

Finance costs for the third quarter 2012 were GBP 0.6 (0.1) million. Finance costs for the period January to September 2012 were GBP 0.6 (0.5) million.

Profit before tax

Profit before tax for the third quarter 2012 was GBP 4.0 (8.2) million. Profit before tax for the period January to September 2012 was GBP 22.1 (26.2) million.

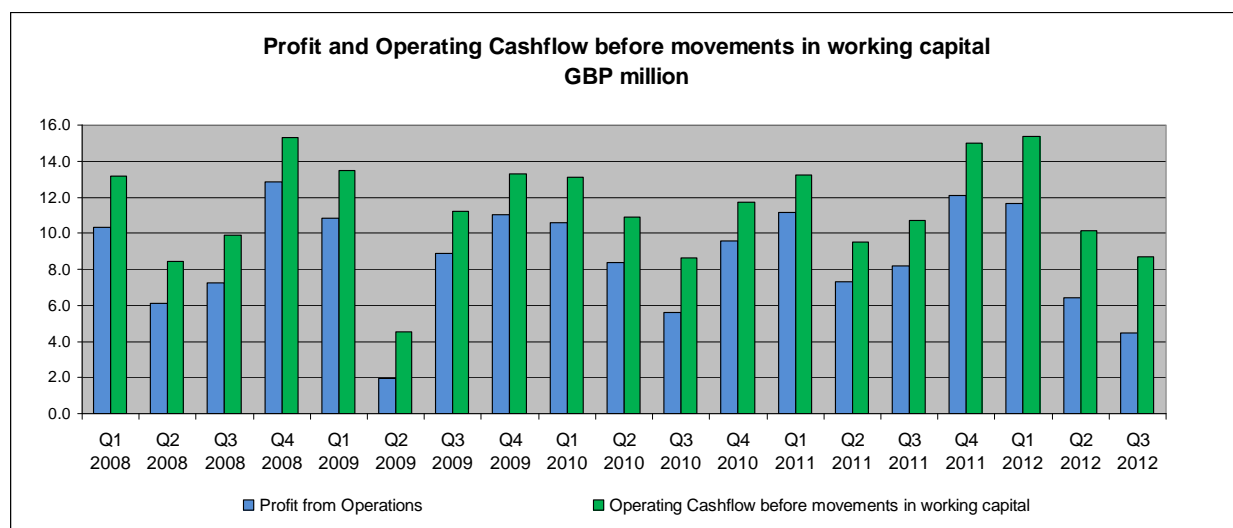
Profit after tax

Profit after tax for the third quarter 2012 was GBP 3.4 (7.5) million. Profit after tax for the period January to September 2012 was GBP 19.8 (24.2) million.

Financial position and cash flow

The cash in hand position at the end of the third quarter 2012 stood at GBP 46.3 (52.0) million while at the beginning of the period it was GBP 41.4 (49.1) million.

The net cash inflow for the third quarter 2012 was GBP 5.1 (4.7) million. As at 30 September 2012, GBP 19.8 million of the Revolving Credit Facility was utilised. Operating cash flow before movements in working capital for the third quarter 2012 was GBP 8.7 (10.7) million. The quarterly profit and operating cash flow before movements in working capital is shown in the table below.



Granting of options

Unibet Group plc has granted options over 358,702 shares to senior management and key employees, in accordance with the approval granted at the AGM on 10 May 2012. Date of grant is 16 August 2012. The options will have four exercise windows of 15 days each between 1 September 2015 and 15 June 2016. These options are issued in respect of new shares to be issued when the options are exercised. The maximum dilutive effect of this grant will correspond to 1.25 per cent of the share capital after dilution.

Taking into consideration these and previously issued options; the share capital of the company will increase by a total maximum of GBP 4,413.25 by the issue of a total maximum of 882,649 ordinary shares, corresponding to 3.03 per cent of the share capital after dilution.

Principal risks

Unibet manages strategic, operational and financing risks on a group-wide basis. The principal risks affecting the Group are market risks, foreign exchange risks, credit risks and legal risks. Further details of Unibet's risk management and risks arising from the legal environment can be found on pages 22-25 and pages 40-41 of the Annual Report for the year ended 31 December 2011, available from www.unibetgroupplc.com.

Employees

Unibet had 766 (531) employees equivalent to 724 (500) full time employees at 30 September 2012 compared to 671 employees equivalent to 637 full time employees at 30 June 2012. Of these, 260 (153) equivalent to 238 (133) full time, are employees related to the B2B Sportsbook Kambi Sports Solutions. At the start of the third quarter, Kambi brought in-house certain activities that had previously been outsourced. Although this change was cost neutral overall, it did increase the number of employees by approximately 80.

Next AGM and Nomination Committee

The Annual General Meeting of Unibet Group plc 2012 will be held on Tuesday 14 May 2013 in Stockholm. In view of the scheduled date for publishing the Notice of the Annual General Meeting, proposals have to be received by the Company and the Nomination Committee not later than Friday 1 March 2013 in order to have sufficient time for including them in the Notice and the Meeting's agenda.

The nomination committee consists of Anders Ström, chairman, Evert Carlsson, Swedbank Robur Fonder, Frank Larsson, Handelsbanken Fonder and Peter van Berlekom, Nordea Fonder. The nomination committee can be contacted at the following address: Unibet Group plc, "Fawwara Bldgs", Msida Road, Gzira GZR1402, Malta, or by email to: Nomination@unibet.com.

Forthcoming financial reporting timetable

Full Year Report 2012	13 February 2013
Interim Report January – March 2013	2 May 2013
Interim Report January – June 2013	30 July 2013
Interim Report January – September 2013	5 November 2013
Full Year Report 2013	11 February 2014

The Board of Directors and the CEO certify that the interim report gives a fair review of the Group's operations, financial position and results of operations, and describes significant risks and uncertainties facing the Group.

Malta, 31 October 2012

Henrik Tjärnström
CEO

For further information please contact:

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*Unibet Group plc
Company number C 39017
Registered in Malta.*

About Unibet

Unibet was founded in 1997 and is an online gambling company listed on NASDAQ OMX Nordic Exchange in Stockholm. Unibet is one of the largest privately-owned gambling operators in the European market and provides services in 27 languages through www.unibet.com, www.unibet.dk, www.unibet.fr, www.unibet.it, www.unibet.be, www.unibet.com.au, www.maria.com and www.mariacasino.dk. Unibet also offers Sportsbook B2B services through Kambi Sports Solutions, www.kambi.com.

Today, Unibet has 7.0 million customers in over 100 countries. Unibet is a member of the EGBA, European Gaming and Betting Association, ESSA, the European Sports Security Association and is audited and certified by eCOGRA in relation to responsible and fair gaming.

More information about Unibet Group plc can be found on www.unibetgroupplc.com

CONSOLIDATED INCOME STATEMENT
GBP '000

	Unaudited Q3 2012	Unaudited Q3 2011	Unaudited Jan - Sep 2012	Unaudited Jan - Sep 2011	Audited Full Year 2011
Continuing operations:					
Gross Winnings Revenue	43,806	37,810	140,267	109,652	154,396
Betting duties	-2,512	-525	-8,164	-1,090	-1,889
Other cost of sales	-3,301	-3,248	-10,216	-9,903	-13,371
Cost of Sales	-5,813	-3,773	-18,380	-10,993	-15,260
Gross profit	37,993	34,037	121,887	98,659	139,136
Marketing costs	-10,008	-9,105	-33,385	-25,624	-35,359
Administrative expenses	-19,865	-15,167	-59,348	-44,055	-61,969
Underlying profit before items affecting comparability:	8,120	9,765	29,154	28,980	41,808
Merger and acquisition transaction costs	-	-	-1,060	-600	-600
Settlement of prior year betting duties	-2,557	-	-2,557	-	-
Amortisation of acquired assets	-755	-22	-2,392	-65	-87
Adjustment to carrying value of discontinued brand	-	-	-1,181	-	-
Adjustment to carrying value of contingent consideration	-	-	1,779	-	-
Foreign currency loss on operating items	-321	-1,539	-1,191	-1,666	-2,339
PROFIT FROM OPERATIONS	4,487	8,204	22,552	26,649	38,782
Finance costs	-564	-93	-628	-531	-856
Finance income	47	81	136	224	278
Share of profit/(loss) from Associate	4	2	-5	-107	-101
Profit before tax	3,974	8,194	22,055	26,235	38,103
Income tax expense	-621	-698	-2,284	-2,040	-2,632
PROFIT FOR THE PERIOD	3,353	7,496	19,771	24,195	35,471
Earnings per share (GBP)	0.120	0.269	0.710	0.864	1.270
Weighted average number of ordinary shares for the purposes of calculating basic earnings per share	27,912,265	27,872,801	27,831,634	28,001,597	27,920,660
Fully diluted earnings per share (GBP)	0.120	0.269	0.708	0.864	1.270
Weighted average number of ordinary shares for the purposes of calculating diluted earnings per share	27,984,870	27,872,801	27,936,524	28,001,597	27,920,660

CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME
GBP '000

	Unaudited Q3 2012	Unaudited Q3 2011	Unaudited Jan - Sep 2012	Unaudited Jan - Sep 2011	Audited Full Year 2011
Profit for the period	3,353	7,496	19,771	24,195	35,471
Other comprehensive income					
Currency translation adjustments taken to equity	2,643	-3,514	-365	-1,866	-2,240
COMPREHENSIVE INCOME FOR THE PERIOD	5,996	3,982	19,406	22,329	33,231

CONSOLIDATED BALANCE SHEET**GBP '000****ASSETS****Non-current assets**

	Unaudited 30 Sep 2012	Unaudited 30 Sep 2011	Audited 31 Dec 2011
Goodwill	152,024	125,954	131,251
Other intangible assets	39,112	28,709	34,530
Investment in associate	1,277	1,276	1,282
Property, plant and equipment	5,602	2,881	3,820
Deferred tax assets	642	293	556
	<u>198,657</u>	<u>159,113</u>	<u>171,439</u>

Current assets

Trade and other receivables	15,475	7,343	10,699
Taxation recoverable	9,367	-	9,367
Cash and cash equivalents	46,282	52,032	41,806
	<u>71,124</u>	<u>59,375</u>	<u>61,872</u>

TOTAL ASSETS

	<u>269,781</u>	<u>218,488</u>	<u>233,311</u>
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EQUITY AND LIABILITIES**Capital and reserves**

Share capital	141	141	141
Share premium	74,201	74,044	74,044
Currency translation reserve	13,175	13,914	13,540
Reorganisation reserve	-42,889	-42,889	-42,889
Retained earnings	121,398	114,640	114,315
TOTAL EQUITY	<u>166,026</u>	<u>159,850</u>	<u>159,151</u>

Non-current liabilities

Contingent consideration payable	2,664	-	-
Deferred tax liabilities	275	453	818
	<u>2,939</u>	<u>453</u>	<u>818</u>

Current liabilities

Trade and other payables	31,704	25,717	31,868
Customer balances	34,550	27,853	27,503
Deferred income	1,372	1,730	1,395
Tax liabilities	13,413	2,885	12,576
Borrowings	19,777	-	-
	<u>100,816</u>	<u>58,185</u>	<u>73,342</u>

Total liabilities**TOTAL EQUITY AND LIABILITIES**

	<u>103,755</u>	<u>58,638</u>	<u>74,160</u>
	<u>269,781</u>	<u>218,488</u>	<u>233,311</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
GBP '000

	Unaudited Q3 2012	Unaudited Q3 2011	Unaudited Jan - Sep 2012	Unaudited Jan - Sep 2011	Audited Full Year 2011
OPENING BALANCE AT BEGINNING OF PERIOD	159,934	160,392	159,151	141,795	141,795
Comprehensive income					
Profit for the period	3,353	7,496	19,771	24,195	35,471
Other comprehensive income:					
Translation adjustment	2,643	-3,514	-365	-1,866	-2,240
	5,996	3,982	19,406	22,329	33,231
Transactions with owners					
Share options - value of employee services	96	111	303	361	496
Treasury share buy-back	-	-4,635	-	-4,635	-4,635
Proceeds from shares issued	-	-	157	-	-
Disposal of treasury shares	-	-	3,168	-	28
Dividend paid	-	-	-16,159	-	-11,764
	96	-4,524	-12,531	-4,274	-15,875
CLOSING BALANCE AT END OF PERIOD	166,026	159,850	166,026	159,850	159,151

CONSOLIDATED CASH FLOW STATEMENT
GBP '000

	Unaudited Q3 2012	Unaudited Q3 2011	Unaudited Jan - Sep 2012	Unaudited Jan - Sep 2011	Audited Full Year 2011
OPERATING ACTIVITIES					
Profit from operations	4,487	8,204	22,552	26,649	38,782
Adjustments for:					
Depreciation of property, plant and equipment	647	436	1,795	1,253	1,720
Amortisation of intangible assets	3,488	1,933	10,159	5,180	7,478
Adjustment to carrying value of discontinued brand	-	-	1,181	-	-
Adjustment to carrying value of contingent consideration	-	-	-1,779	-	-
Loss on disposal of property, plant & equipment	-	32	-	35	35
Share-based payment	96	111	303	361	496
Operating cash flows before movements in working capital	8,718	10,716	34,211	33,478	48,511
Decrease/(increase) in receivables	40	928	-4,082	4,705	1,749
Increase/(decrease) in payables	3,998	3,611	8,240	-25	-444
Cash generated from operations	12,756	15,255	38,369	38,158	49,816
Income taxes paid net of tax refunded	-1,401	-2,521	-2,087	-2,951	-3,125
NET CASH GENERATED FROM OPERATING ACTIVITIES	11,355	12,734	36,282	35,207	46,691
INVESTING ACTIVITIES					
Acquisition of subsidiaries, net of cash acquired and debt assumed	-	-	-11,715	-	-3,298
Acquisition of business and assets	-2,156	-	-10,935	-	-
Settlement of contingent consideration	-	-	-85	-	-
Interest received	47	36	136	104	278
Interest paid	-177	-94	-327	-250	-636
Purchases of property, plant and equipment	-743	-890	-2,580	-1,622	-2,875
Development and acquisition costs of intangible assets	-3,237	-2,491	-11,156	-7,962	-11,884
NET CASH USED IN INVESTING ACTIVITIES	-6,266	-3,439	-36,662	-9,730	-18,415
FINANCING ACTIVITIES					
Dividends paid	-	-	-16,159	-	-11,764
Treasury share buy-back	-	-4,635	-	-4,635	-4,635
Proceeds of issue of new shares for share options	-	-	157	-	-
Disposal of treasury shares	-	-	3,168	-	28
Proceeds from borrowings	-	-	22,882	-	-
Repayment of borrowings	-	-	-3,333	-7,095	-7,095
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES	-	-4,635	6,715	-11,730	-23,466
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	5,089	4,660	6,335	13,747	4,810
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	41,372	49,091	41,806	38,495	38,495
Effect of foreign exchange rate changes	-179	-1,719	-1,859	-210	-1,499
CASH AND CASH EQUIVALENTS AT END OF PERIOD	46,282	52,032	46,282	52,032	41,806

KEY RATIOS

This table is for information only and does not form part of the condensed financial statements

	Unaudited Q3 2012	Unaudited Q3 2011	Unaudited Jan - Sep 2012	Unaudited Jan - Sep 2011	Audited Full Year 2011
Operating margin, % (Profit from operations/revenue for the period)	10%	22%	16%	24%	25%
Return on total assets, % (Profit after tax/average of opening and closing assets for the period)	1%	3%	8%	11%	16%
Return on average equity, % (annualised) (EBIT/average of opening and closing equity for the period)	11%	20%	18%	24%	26%
Equity/assets ratio, %	62%	73%	62%	73%	68%
EBITDA margin, %	20%	28%	25%	30%	31%
Net cash/EBITDA (rolling 12 months basis)	0.232	0.541	0.232	0.541	0.298
Employees at period end	766	531	766	531	572
Gross cash per share (GBP) (cash at end of period/number of shares at end of period)	1.637	1.841	1.637	1.841	1.479
Net cash less debt per share (GBP) (total cash at period end less customer liabilities and borrowings/number of shares at end of period)	-0.285	0.856	-0.285	0.856	0.506
Operating cashflow before movements in working capital per share (GBP)	0.312	0.384	1.229	1.196	1.737
Earnings per share (GBP)	0.120	0.269	0.710	0.864	1.270
Fully diluted earnings per share (GBP)	0.120	0.269	0.708	0.864	1.270
Number of shares at period end ¹	28,269,266	28,258,038	28,269,266	28,258,038	28,258,038
Fully diluted number of shares at period end	28,374,971	28,258,038	28,374,971	28,258,038	28,292,637
Average number of shares	27,912,265	27,872,801	27,831,634	28,001,597	27,920,660
Average number of fully diluted shares	27,984,870	27,872,801	27,936,524	28,001,597	27,920,660

¹ As at 30 September 2012, the total of 28,269,266 shares includes a balance of 357,001 shares that have been bought back by the company in previous years. The intention of the Board is either to cancel the shares (requires further shareholder approval), use as consideration for an acquisition, or issue to employees under Share Option programmes.

NON-STATUTORY ANALYSIS OF GROSS WINNINGS REVENUE

These tables are for information only and do not form part of the condensed financial statements

Gross Winning Revenue (GWR) by region

(based on country of residence of customer)

GBP '000

SPORTS BETTING

Sports Betting GWR by region	2012	2012	2012	2011	2011	2011	2011	2012	2011	2010
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	YTD	FY	FY
Nordics	7,727	8,367	11,258	10,188	7,574	6,669	8,435	27,352	32,866	26,721
Western Europe	6,596	7,330	8,888	5,534	4,688	3,704	4,857	22,814	18,783	26,153
Central, Eastern and Southern Europe	1,011	1,787	2,715	2,409	2,390	1,736	1,888	5,513	8,423	7,754
Other	2,193	1,834	1,524	516	-160	183	262	5,551	801	2,011
Total GWR	17,527	19,318	24,385	18,647	14,492	12,292	15,442	61,230	60,873	62,639

Quarterly Year-on-Year & Year-on-Year GWR growth %

Nordics	2%	25%	33%	40%	16%	-6%	45%	81%	23%	42%
Western Europe	41%	98%	83%	32%	13%	-58%	-46%	167%	-28%	10%
Central, Eastern and Southern Europe	-58%	3%	44%	33%	10%	31%	-23%	52%	9%	9%
Other	1471%	902%	483%	1047%	-123%	-78%	-39%	1149%	-60%	36%
Total	21%	57%	58%	40%	7%	-32%	-12%	121%	-3%	22%

OTHER PRODUCTS - CASINO, POKER, & OTHER GAMES

Other products GWR by region	2012	2012	2012	2011	2011	2011	2011	2012	2011	2010
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	YTD	FY	FY
Nordics	16,348	15,534	15,626	15,814	14,160	13,653	13,039	47,508	56,666	46,121
Western Europe	7,169	7,897	7,631	6,849	6,077	5,547	5,623	22,697	24,096	26,842
Central, Eastern and Southern Europe	2,476	2,376	3,127	3,002	2,660	2,673	3,122	7,979	11,457	10,692
Other	286	212	355	432	421	180	271	853	1,304	1,185
Total	26,279	26,019	26,739	26,097	23,318	22,053	22,055	79,037	93,523	84,840

Quarterly Year-on-Year & Year-on-Year GWR growth %

Nordics	15%	14%	20%	21%	34%	25%	13%	78%	23%	3%
Western Europe	18%	42%	36%	27%	38%	-33%	-36%	103%	-10%	-10%
Central, Eastern and Southern Europe	-7%	-11%	0%	-11%	22%	69%	-12%	38%	7%	-7%
Other	-32%	18%	31%	35%	74%	-51%	5%	89%	10%	47%
Total	13%	18%	21%	18%	34%	4%	-9%	79%	10%	-3%

TOTAL

Total GWR by region	2012	2012	2012	2011	2011	2011	2011	2012	2011	2010
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	YTD	FY	FY
Nordics	24,075	23,901	26,884	26,002	21,734	20,322	21,474	74,860	89,532	72,842
Western Europe	13,765	15,227	16,519	12,383	10,765	9,251	10,480	45,511	42,879	52,995
Central, Eastern and Southern Europe	3,487	4,163	5,842	5,411	5,050	4,409	5,010	13,492	19,880	18,446
Other	2,479	2,046	1,879	948	261	363	533	6,404	2,105	3,196
Total GWR	43,806	45,337	51,124	44,744	37,810	34,345	37,497	140,267	154,396	147,479

Share of total GWR %

Nordics	55%	53%	53%	58%	57%	59%	57%	53%	58%	49%
Western Europe	31%	34%	32%	28%	29%	27%	28%	32%	28%	36%
Central, Eastern and Southern Europe	8%	9%	11%	12%	13%	13%	13%	10%	13%	13%
Other	6%	4%	4%	2%	1%	1%	1%	5%	1%	2%

Quarterly Year-on-Year & Year-on-Year GWR growth %

Nordics	11%	18%	25%	28%	27%	13%	24%	79%	23%	14%
Western Europe	28%	65%	58%	29%	26%	-46%	-41%	131%	-19%	-1%
Central, Eastern and Southern Europe	-31%	-6%	17%	5%	16%	52%	-17%	43%	8%	-1%
Other	850%	464%	252%	159%	-72%	-70%	-22%	615%	-34%	39%
Total	16%	32%	36%	26%	22%	-12%	-10%	95%	5%	7%

NON-STATUTORY ANALYSIS OF GROSS WINNINGS REVENUE

These tables are for information only and do not form part of the condensed financial statements

Gross Winning Revenue (GWR) by product
(after Free Bets)
GBP '000

Total GWR by product	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	2012 YTD	2011 FY	2010 FY
Sports Betting	17,527	19,318	24,385	18,647	14,492	12,292	15,442	61,230	60,873	62,639
Casino	17,945	18,621	19,058	18,699	16,217	15,142	14,567	55,624	64,625	54,146
Poker	3,355	3,500	4,271	3,558	3,114	2,990	3,979	11,126	13,641	20,210
Other	4,979	3,898	3,410	3,840	3,987	3,921	3,509	12,287	15,257	10,484
Total	43,806	45,337	51,124	44,744	37,810	34,345	37,497	140,267	154,396	147,479

Share of total GWR %

(after Free Bets)

Sports Betting	40%	43%	48%	42%	38%	36%	41%	44%	39%	42%
Casino	41%	41%	37%	41%	43%	44%	39%	40%	42%	37%
Poker	8%	8%	8%	8%	8%	9%	11%	8%	9%	14%
Other	11%	8%	7%	9%	11%	11%	9%	9%	10%	7%

Quarterly Year-on-Year & Year-on-Year GWR growth %

(after Free Bets)

Sports Betting	21%	57%	58%	40%	7%	-32%	-12%	121%	-3%	22%
Casino	11%	23%	31%	29%	46%	6%	2%	87%	19%	4%
Poker	8%	17%	7%	-20%	-21%	-36%	-44%	60%	-33%	-17%
Other	25%	-1%	-3%	22%	67%	76%	29%	65%	46%	-1%

Sports Betting gross margins

GBP '000

	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	2012 YTD	2011 FY	2010 FY
Sports Betting Stakes	296,206	300,744	297,041	257,755	244,699	236,342	232,935	893,991	971,731	987,430
<i>Sports Betting Gross Winnings Revenue (GWR):</i>										
Live Betting	8,713	8,729	8,935	7,580	7,076	5,900	5,750	26,377	26,306	24,263
<i>Live Betting Margin %</i>	4.7%	4.9%	5.2%	5.3%	4.7%	4.1%	4.3%	5.1%	4.6%	4.5%
<i>Live Betting Share %</i>	43.8%	39.9%	33.5%	36.4%	44.5%	44.2%	33.7%	38.5%	39.2%	35.3%
Pre-game Betting	11,185	13,148	17,722	13,256	8,830	7,454	11,318	42,055	40,858	44,526
<i>Pre-game Betting Margin %</i>	10.2%	10.6%	14.2%	11.7%	9.3%	8.0%	11.3%	12.4%	10.2%	9.9%
<i>Pre-game Betting Share %</i>	56.2%	60.1%	66.5%	63.6%	55.5%	55.8%	66.3%	61.5%	60.8%	64.7%
Total before Free Bets	19,898	21,877	26,657	20,836	15,906	13,354	17,068	68,432	67,164	68,789
<i>Sports Betting margin % (before Free Bets)</i>	6.7%	7.3%	9.0%	8.1%	6.5%	5.7%	7.3%	7.7%	6.9%	7.0%
Free Bets	-2,371	-2,559	-2,272	-2,189	-1,414	-1,062	-1,626	-7,202	-6,291	-6,150
Total after Free Bets	17,527	19,318	24,385	18,647	14,492	12,292	15,442	61,230	60,873	62,639
<i>Sports Betting margin % (after Free Bets)</i>	5.9%	6.4%	8.2%	7.2%	5.9%	5.2%	6.6%	6.8%	6.3%	6.3%