



Press information

Malta, 7 February 2012

Unibet signs agreement to acquire Betchoice and enter the regulated Australian market

- **Acquisition of 100% of the issued shares of Betchoice Corporation Pty Ltd, one of the leading independent corporate bookmakers online offering Racing and Sports betting products in Australia.**
- **Provides access to the regulated Australian online market which is growing at circa 10-15% per annum.**
- **Betchoice has a customer base of more than 8,000 active customer accounts and introduces horse racing capability into Unibet which can be leveraged across its existing business.**
- **Unibet's second strategic acquisition in recent months of businesses in regulated markets following the acquisition of the Solfive Group in France in November last year.**
- **Unibet plans to invest in development of both product offering and marketing to grow the market share aggressively and to challenge the leading players in the Australian market. Unibet considers the Australian corporate bookmaking market to have relatively attractive terms and conditions compared to European models and therefore allows for profitable growth.**
- **Initial acquisition price of AUD 20.0 million (GBP 13.6 million) on a cash free and debt free basis payable on completion.**
- **Earn-out based on 5.5x 2014 EBITDA in Australia less the initial acquisition price for Mark Morrissey, founder, Chairman and 38% shareholder, who is remaining with the company.**
- **Certain other shareholders to receive a payment of AUD 2.4 million in aggregate if 2014 EBITDA in Australia exceeds AUD 4.4 million.**
- **Completion is subject to the approval by the Northern Territory regulator and is expected before the end of Q2 2012.**
- **Betchoice achieved EBITDA of AUD 3.3 million (GBP 2.2 million) for its latest financial year ended 30 June 2011. Gross turnover for racing and sports betting for the year ended 30 June 2011 was AUD 191.5 million (GBP 129.8 million).**

Unibet Group plc today announces that it has signed an agreement to acquire 100 per cent of Betchoice Corporation Pty Ltd, one of Australia's leading independent corporate bookmakers online. Betchoice operates a range of sports and racing betting products in the Australian market through its web site **www.betchoice.com**.

The transaction, which is Unibet's second in a regulated market in recent months:

- Provides access to the fast growing Australian online market;
- Represents a solid platform from which to invest further and gain market share;
- Positions Unibet well for the anticipated opening of live betting products in Australia at some stage in the future;
- Provides Unibet with horse racing capability which can be leveraged further across the group



The initial acquisition price is AUD 20.0 million (GBP 13.6 million), on a cash free and debt free basis, payable in cash on closing. In addition, there is an earn-out for Mark Morrissey, founder, Chairman and 38% shareholder based on 5.5x 2014 EBITDA in Australia less the initial acquisition price who will remain with the business post completion. A further AUD 2.4 million in aggregate will be payable to certain other shareholders, if 2014 EBITDA in Australia exceeds AUD 4.4 million.

Completion of the transaction is subject to approval by the Northern Territory Racing Commission and is expected to take place before the end of the second quarter of 2012.

Unibet intends to rebrand the platform from Betchoice to Unibet following a short transition period. Over the next two years, Unibet will invest significantly in improving the Australian product portfolio and in marketing to establish the Unibet brand in the fast growing Australian market. Applying the wider sports product range and risk management techniques within Kambi, Unibet's B2B Sportsbook division, to Betchoice will improve Betchoice's offering and financial performance. Kambi will also benefit from integrating Betchoice's racing product within its portfolio.

As a result of the initial strategic investments to support future growth, Unibet does not expect the acquisition to have a significant financial impact on Unibet's reported profits for 2012. The acquisition is not expected to impact the proposed dividend for 2011 to be announced in connection with the 2011 year end report.

Betchoice currently employs around 35 people in Australia who will be integrated into the Unibet team. Betchoice operates under a Northern Territory sports bookmaking licence and has offices in Darwin and Sydney.

"This strategic acquisition gives Unibet immediate access to the regulated Australian market, which is currently open to sports betting and horse racing. We intend to rebrand the business quickly to Unibet. Betchoice already has a strong offering and market position in horse racing and through Kambi, Unibet has the opportunity to enhance the quality and performance of Betchoice's sports betting offering and so to deliver revenue growth and margin improvements," says Henrik Tjärnström, CEO Unibet.

"In addition to benefit from the already existing Australian product offering, the acquisition of Betchoice will provide Unibet with a platform to facilitate other gambling services and opportunities should market conditions continue to improve."

Mark Morrissey, co-founder and Chairman of Betchoice says, "We are delighted to become part of the wider Unibet group. There is a substantial market opportunity in Australia and with Unibet's expertise in marketing and risk management, together with its market-leading sports betting offering, I am confident that we can increase substantially our market share and establish Unibet as one of the leading brands in Australia."

For more information:

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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.maria.com and www.mariacasino.dk. Today, Unibet has more than 6 million customers in over 100 countries. Unibet is a member of the EGBA, European Gaming and Betting Association, RGA, Remote Gambling Association in the UK 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