

24hPoker Holding AB (publ)

Interim report for the period January to June 2006

Key data (SEK 000s)	Apr-Jun 2006	Apr-Jun 2005	Jan-Jun 2006	Jan-Jun 2005
Net revenues	75 159	28 092	166 581	50 439
Profit/loss after tax	-93 725	1 605	-84 546	6 195
Earnings per share, SEK	-0.19	0.00	-0.18	0.01
Operating profit after elimination of Daydream	6 510	924	19 458	6 801
Gross margin, %	47.1	64.0	45.7	69.1
Gaming surplus	66 277	24 349	147 938	43 632

- ♣ After elimination of Daydream, operating profit during the first half of the year amounted to SEK 19.5 M (6.8), an increase of 187%, and to SEK 6.5 M (0.9) during the second quarter, an increase of 622%.
- ♣ The number of active players in B2B's network (including 24hPoker) amounted to 108,638 (54,079), and increase of 101% and 45,033 (12,297) in 24hPoker's network, corresponding to an increase of 266%.
- ♣ During the quarter, B2B Poker signed contract with the betting firms Sunderlands and Bet United, and contracts were signed after the closing date with the Russian gaming operator Allgames Casinos and the sports games company 10Bet.com.
- ♣ After the closing date, the company announced that the contract between Unibet and B2B Poker will not be extended.
- ♣ 24h Network introduced 20 new partners or skins during the quarter and signed contracts with several new skins after the closing date.
- ♣ The Board of Directors of 24hPoker Holding decided at the end of the quarter to discontinue all operations in the former Daydream group. Impairment losses, discontinuation costs and the reported loss for June in Daydream were charged against operating profit during the quarter in an amount of SEK 100.7 M, which was largely without impact on cash flow.

Comments by Per Hildebrand, President of 24hPoker AB

"It is gratifying to note that many new partners initiated partnerships with B2B Poker. During the spring and summer, we signed contracts with such major players as Sunderlands, Bet United, Allgames Casinos and 10Bet.com, as well as a number of smaller players. These partners are expected to contribute many new players to the network from markets where we currently do not have a significant presence.

"In July, it was announced that the contract between Unibet and B2B Poker will not be extended when it expires on August 31. Measures have already been taken to reduce the negative effects of this.

"During the quarter, the merger with Daydream Software AB was completed, and at the end of the quarter, the Board of Directors took a decision to discontinue operations in Daydream, since their assessment was that the prerequisites were lacking for the business to be able to show a profit. As a result, non-recurring costs consisting of impairment losses and other discontinuation costs totaling about SEK 100 M were charged against profit for the period. The Board of Directors is evaluating whether the information received by 24hPoker in conjunction with the merger was erroneous or incomplete and does not rule out the possibility that damage claims may be filed. Ordinary gaming operations reported an operating profit of SEK 19.5 M for the first six months of 2006.

Following the merger of 24hPoker and B2B Poker, the organization is cost-effective and well prepared for the growth that we expect from the robust increase in online poker that is noticeable in many European countries. In addition to the new partners that we were able to announce, 24H Network launched 20 new partner sites during the quarter. Interest in our services remains high, and I look forward to being able to present many new network partners going forward."

Financial summary, Group (SEK 000's)	Apr-Jun 2006	Apr-Jun 2005	Jan-Jun 2006	Jan-Jun 2005	Full year 2005
Net revenues	75 159	28 092	166 581	50 439	153 930
Operating income	-94 179	924	-81 231	6 801	27 117
Profit for the period	-93 725	1 605	-84 546	6 195	20 116
Operating margin (%)	-125.3%	3.3%	-48.8%	13.5%	17.6%
Profit per share (SEK)	-0.19	0.00	-0.18	0.01	0.04
Cash flow from operations	-462	14 043	23 067	25 232	63 615
Liquid funds	99 896	45 852	99 896	45 852	87 699

Significant events during the second quarter

Successful marketing campaigns for 24hPoker.com

During the FIFA World Cup in June, 24hPoker.com increased its marketing efforts in Sweden and Denmark in conjunction with the company offering the market's highest odds on the World Cup football matches. The campaign generated considerable attention and contributed to more than a doubling of sales for Sports betting, compared with the previous month.

During the summer, a major Internet campaign was also conducted for 24hPoker.com's poker offering. The campaign increased traffic on the web site by about 150% during the period in which it was in progress, and a large number of new customers were registered. Additional Internet campaigns will be rolled out during the autumn.

Launch of new games

To be able to offer players more games and strengthen the poker network's position in southern Europe, where these games are popular, B2B launched two new poker variants at the end of June: Americana and Telesina. These are very similar games, since both are five-card stud poker with a deck of 32 cards. At present, B2B is the only operator to offer these games and now offers more games than any other network.

New partners in B2B Poker's network

During the period, contracts were signed with Bet United and Sunderlands, two established betting firms in Germany and the UK.

24h Network

24h Network introduced 20 new partners or skins during the second quarter. Most of these sites target markets other than Sweden.

Svenska Spel launched online poker

Svenska Spel was the first monopoly operator to launch its own online poker site. Initially, the site took market share from established players. Over time, however, Svenska Spel's entry into the market is expected to result in a general increase in poker play, since new customer groups are now learning how online poker works.

Reorganization in 24hPoker and B2B Poker

The Group has now integrated IT, sales and management functions within 24hPoker and B2B Poker, thus creating cost synergies and better prerequisites for effective IT development and successful sales work. The marketing department on Malta was strengthened with several new employees, and a major initiative was started to attract new affiliates.

Decision to discontinue operations in former Daydream

The Board of Directors decided on June 30, 2006 to discontinue operations in the former Daydream group. According to the Board's assessment, the prerequisites were lacking for the business to be able to show a profit in the foreseeable future. The goal was to save any capital values through a sale of all

or portions of the operation. Following the decision and additional analysis, however, 24hPoker found that there were no tangible assets in Daydream's operations that were possible to realize.

As a consequence, 24hPoker decided to recognize an impairment loss for all goodwill in the Daydream holding. The impairment loss amounted to SEK 94.8 M and was charged in its entirety against profit for the second quarter. As a precautionary measure, this impairment loss included a possible commitment for compulsory purchase of remaining minority interests totaling SEK 12.3 M. See Note 1.

Discontinuation costs amounted to SEK 4.3 M and were charged in their entirety against income for the second quarter. The higher discontinuation cost, compared with the cost of SEK 2.5 M previously communicated, meant that further negative effects on earning from the discontinuation of Daydream can be avoided in the future.

The Board of Directors is evaluating the possibilities for claiming damages, since the merger appears to have been approved and implemented based on erroneous information.

Significant events after the closing date

24hPoker shut out US players from its poker network

At the end of July, 24hPoker decided to shut out US players from all of its gaming services and also will not let American players play via partners in the poker network operated by B2B Poker. The decision was due to the uncertain legal situation prevailing in the US regarding playing for money over the Internet. In addition, demand for poker networks that do not accept players from the US is expected to increase. The decision will take effect during September, somewhat later than first announced, in order to give players an opportunity to clear bonuses and spend earned VIP points.

Contract between B2B Poker and Unibet will not be extended

Unibet will leave B2B Poker's poker network when the contract now in effect expires on August 31. This did not come as a surprise, and B2B Poker is taking measures together with partners intended to make the network even more attractive for players and to maintain favorable player liquidity. Because the major shares of its games have been placed on Unibet's own tables since February, cash games for the rest of the network will not be affected to such a great extent.

New partners in B2B Poker's network

After the closing date, B2B Poker signed contracts with several gaming operators, including Allgames Casinos and 10Bet.com.

Establishment on Malta

At the beginning of the year, relocation of gaming operations to Malta was begun. The move was completed in August when the last game servers were moved to Malta. All marketing of gaming services, as well as payment flows, are administered from Malta, which is currently the only EU jurisdiction that offers regulation and licensing of online poker. Operating the poker network from an EU country makes it possible to market the gaming services and eliminates the risk that players will be subject to taxation in Sweden or other EU countries. Players are increasingly aware that they are obligated to pay tax in Sweden for profits from games outside the EU. Being the first poker network to establish itself within the EU is therefore expected to be a significant competitive advantage.

Tobias Fagerlund appointed new Chief Operating Officer of 24hPoker

Tobias Fagerlund began as new COO (Chief Operating Officer) of 24hPoker on August 1. He has worked in the Group since April 2005 and has been acting President of B2B Poker since February 2006. Tobias Fagerlund will continue as acting President of B2B Poker.

Britt-Marie Boije recruited as Chief Financial Officer of 24hPoker

24hPoker has recruited Britt-Marie Boije, who will succeed Thord Norberg as CFO (Chief Financial Officer) for the company. Britt-Marie Boije worked most recently as CFO at the O-listed company Ledstiernan. Britt-Marie Boije will join 24hPoker on October 1, 2006.

Market trends

During the spring and summer, 24hPoker and several other players noted a slowing of growth in poker, primarily in the Swedish market. Traditionally, the summer is a period of lower activity for gaming companies. This year, many of those interested in gambling followed the World Cup in football. This resulted in new sales records for sports betting for many gaming companies, but activity at poker tables declined. Other factors limiting gaming activity were warm weather and the world poker championships (WSOP) in Las Vegas, which attracted many active poker players. As in previous years, poker play once again increased at the end of August and can be expected to grow over the autumn.

Competition in the Swedish market has increased, in part because Svenska Spel has launched online poker and several of the major poker operators have conducted extensive campaigns in Scandinavia. Competition is not on the same level in such markets as Denmark, Norway and Finland. There is also great potential in the markets in Central, Southern and Eastern Europe, particularly in countries where Internet penetration is high and functioning payment systems are in place. 24hPoker is well positioned for growth in markets outside Sweden through the B2B Poker network and the unique skins concept offered by 24h Network.

Interest in joining the 24h Network remains high, and during the autumn 24hPoker will focus on more actively assisting partners in the network so that they can more easily recruit and retain new customers. For example, a joint network program will be launched in September to make it more attractive for big players to play on the network.

Online gaming still only accounts for 5% of the total gaming market, which indicates that online gaming has every opportunity to continue growing.

On April 4, 2006 the European Commission decided to conduct a general investigation of online gaming in seven member states. Monopolistic gaming operations in Sweden, Denmark, Finland, Germany, Hungary, Italy and the Netherlands will be reviewed with respect to the right of privately owned online gaming companies to conduct and market their operations in these countries. The Commission will assess whether the restrictions are intended to reduce gaming dependency or if the goal is to strengthen public revenues.

Operations

24hPoker is both a games supplier and a gaming operator.

As a games supplier, 24hPoker offers competitive platforms for poker, sports betting and casino games on the Internet.

Through B2B Poker Network, established gaming operators and other companies (from the media industry, for example) that invest in a more extensive organization for their gaming operation are able to offer their customers online poker. The partner can take advantage of the large number of players in the network from the outset. B2B Poker has a strong European profile. All gaming is in EUR, and servers and licenses are in Malta.

Through the 24h Network, companies without their own gaming license are offered a turnkey solution for online poker, sports betting and casino. The offer to this type of partner includes gaming licenses, software, operation, payment solutions and round-the-clock support for end users.

24hPoker is also a gaming operator through its own web site 24hPoker.com, which offers end customers gaming services and information in many different languages. 24hPoker.com is one of the leading poker sites in the Nordic region. The gaming service has high player liquidity and offers many different game forms and stake levels.

Key Figures for gaming operations	Apr-Jun 2006	Apr-Jun 2005	Jan-Jun 2006	Jan-Jun 2005	Full year 2005
Gaming surplus for 24hPoker (SEK M)	66 277	24 349	147 938	43 632	134 720
of which surplus from poker (SEK M)	62 781	23 411	141 940	42 691	129 693
No. of active players, 24hPoker	45 033	12 297		-	-
No. of active players, B2B poker network (incl. 24h Poker)	108 638	54 079		-	-
No. of registered players, 24hPoker (at end of each period)	285 043	74 876	285 043	74 876	145 230
No. of registered players, B2B poker network (incl. 24h at end of each period)	593 221	191 632	593 221	191 632	364 164

Comments on income statements and balance sheets

Net revenues and profit for second quarter of 2006

Net revenues for the quarter amounted to SEK 75.2 M (28.1), an increase of 168%. Sales for the first six months amounted to SEK 166.6 M (50.4), an increase of 231%. Of Daydream's profit for the period, only the month of June in which the acquisition was completed was consolidated. Net sales attributable to Daydream were thus SEK 0.9 M during the quarter. Sales growth for Poker was 173% for the quarter and 236% for the first six months. See the table Revenue type below. Growth for Poker was negatively affected during the first six months by market adaptations of B2B's poker network and the initial interest in Svenska Spel's poker initiative. Poker play was also negatively affected during the FIFA World Cup. Other gaming operations, which consist of Spores Betting and Casino, showed growth during the first six months of 794% and 273%, respectively, compared with the year-earlier period. The large increase compared with the first half of 2005 was due to a gaming deficit for Casino in January 2005. As in previous years, other gaming operations showed more even growth than Poker. During the World Cup, activity was high in Sports Betting.

Royalty income in B2B Poker increased by 75% during the quarter and by 115% for the six-month period, compared with the preceding year, which corresponded to the increase in poker operators in the network. The growth rate slowed during the quarter, primarily as a result of Bet24's decision to change poker networks at the beginning of March 2006.

Revenues from poker (rake) consist of the share of every pot or bet in a tournament for which players pay a fee.

For Casino and Sports Betting, revenues are reported as the net of bets made and winnings paid.

Revenues for Sports Betting and Casino are reported under the heading Other gaming operations.

Royalty income consists of B2B Poker's monthly income from each partner in the B2B poker network. The royalty is based on the rake that the partner's games generate.

Revenue type (SEK 000s)	Apr-Jun 2006	Apr-Jun 2005	Jan-Jun 2006	Jan-Jun 2005	Full year 2005
Poker revenues (24hPoker)	64 839	23 731	146 453	43 598	133 554
Revenues from other gaming operations (24hPoker)	3 497	938	5 998	674	5 026
Royalty income (B2B Poker)	5 968	3 419	13 274	6 167	15 350
Other income (Daydream June)	856	0	856	0	0
Total net revenues	75 159	28 092	166 581	50 439	153 930

The operating loss amounted to SEK 94.2 M (profit: 0.9) for the quarter and SEK 81.2 (profit: 6.8) for the six-month period. After elimination of the loss (SEK 100.7 M) in Daydream, operating profit amounted to SEK 6.5 M (0.9) for the quarter, an increase of 622%, and SEK 19.5 M (6.8) for the six-month period, an increase of 187%. The substantial increase in income was largely attributable to the fact that the corresponding period in 2005 was a quarter with weak growth combined with increased costs for personnel, the exchange-listing project and marketing. Total operating costs after elimination of Daydream increased by 154% for the quarter and 2327% for the six-month period, compared with the corresponding periods in the preceding year.

The gross margin amounted to 47.1% (64.0) for the quarter and 45.7% (69.1) for the six-month period. The decline was primarily due to the fact that the proportion of poker revenues through skins increased sharply during the year, compared with previous years. During the quarter, other external costs amounted to SEK 18.0 M (11.3), an increase of 59%, and to SEK 16.0 M (11.3) after elimination of Daydream, which was an increase of 41%. The increase was primarily attributable to higher marketing and consulting costs, as well as costs related to preparations for the exchange listing of the company. For the six-month period, other external costs amounted to SEK 35.0 M (18.5), an increase of 89%, and to SEK 33.0 M (18.5) after elimination of Daydream, an increase of 75%. Marketing costs amounted to about SEK 10 M for the first half of 2006.

Personnel costs amounted to SEK 14.7 M (5.3) for the quarter and SEK 24.2 M (8.9) for the six-month period. After elimination of Daydream, personnel costs amounted to SEK 10.4 M (5.3) for the quarter, an increase of 96%, and SEK 19.9 M (8.9) for the six-month period, an increase of 124%. Synergy effects resulting from the merger of the 24hPoker and B2B organizations are expected to result in cost savings and efficiency gains in personnel.

Net financial income amounted to SEK 0.5 M (expense: 0.9) for the six-month period and consisted primarily of interest income from cash and cash equivalents. The difference compared with the corresponding period in the preceding year was primarily attributable to exchange-rate losses on bank balances in other currencies than EUR.

Investments

Investments for the six-month period amounted to SEK 133.6 M (3.0), of which SEK 126.3 M (1.2) related to intangible assets. Total depreciation and impairment losses amounted to SEK 98.3 M (0.6), of which SEK 97.4 M (0.1) was attributable to impairment of intangible fixed assets.

Financial position and profitability

On the closing date, cash and cash equivalents amounted to SEK 73.5 M (42.5). Consolidated equity amounted to SEK 51.2 M (21.5) During the first six months, equity increased by SEK 15.8 M (56.4), which included the loss for the period of SEK 84.5 M (profit: 6.2). The primary reason for the increase is the revaluation reserve of SEK 17.4 M that arose as a result of the acquisition of 23% of the shares in B2B Poker AB. This meant that 24hPoker gained a controlling influence over the company, and B2B Poker AB was thus consolidated as a subsidiary, instead of a joint venture, beginning in February 2006.

Cash flow

Cash flow from operations for the six-month period after changes in working capital amounted to SEK 23.1 M (25.2), while cash flow for the second quarter was negative in an amount of SEK 0.4 (positive: 14.0). The reason for the weak cash flow during the quarter was an increase in working capital of SEK 13.7 M, which was primarily the result of the proportion of blocked funds in the players' deposited money increasing significantly in March 2006. The substantial increase in the number of transaction

over the past year and the volume of credit card redemptions in Malta requires a greater proportion of blocked funds, according to rules imposed by 24hPoker's bank.

Personnel

The average number of employees in the Group was 99 (45) during the quarter and 88 (41) during the first half of the year. The number of employees on the closing date was 114 (46). Daydream contributed 16 persons to this number in June.

Deferred tax

The Group's total deficit for tax purposes amounted to SEK 138 M (1.7). Deferred tax on loss carry-forwards amounted to SEK 15.4 M (0.5).

The 24hPoker share

There were a total of 8,962 shareholders in 24hPoker AB at June 30, 2006.

Parent company

The Parent Company's revenues during the quarter amounted to SEK 0.7 M (0.1), while a loss after financial items of SEK 430.3 M (loss: 1.3) was reported, of which the impairment of shares in 24hPoker AB accounted for SEK 416.8 M. Cash and cash equivalents amounted to SEK 0.5 M (0.1) on the closing date.

Dates for financial information

November 16, 2006, interim report for January – September for 24hPoker Holding AB
February 15, 2007, year-end report for 24hPoker Holding AB

Financial reports are published on www.24hpoker.se

Solna, August 31, 2006

24hPoker AB (publ)

The Board of Directors

For further information

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Accounting principles and supplementary information

All figures refer to the Group, unless otherwise specified. Comparison figures in this interim report refer to the corresponding period during the 2005 fiscal year, unless otherwise specified.

Daydream Software AB's purchase of 24hPoker AB is reported as a reverse acquisition in which 24hPoker is the Group's Parent Company in the accounts. (See Note 1.)

B2B Poker AB, which was previously a joint venture, was consolidated in the 24hPoker Group according to the proportional method, up to January 31, meaning that the balance sheets and income statements were consolidated in the proportion of 74.61%. The same applies to the key data referring to the number of employees, etc. Since February 1, 2006, B2B Poker is consolidated as a subsidiary in accordance with the purchase method.

This interim report was not subject to examination by the company's auditors.

Condensed income statement (SEK 000s)	Apr-Jun 2006	Apr-Jun 2005	Jan-Jun 2006	Jan-Jun 2005	Full year 2005
Net revenues	75 159	28 092	166 581	50 439	153 930
Direct costs for gaming operations	-39 769	-10 115	-90 383	-15 602	-60 904
Other external costs	-17 970	-11 341	-34 975	-18 493	-41 727
Personnel costs	-14 747	-5 269	-24 165	-8 939	-23 056
Depreciation and impairment losses	-96 852	-443	-98 289	-604	-1 126
Operating profit	-94 179	924	-81 231	6 801	27 117
Financial items	544	-693	525	-901	-771
Profit after financial items	-93 635	231	-80 706	5 900	26 346
Tax	-90	1 374	-3 840	295	-6 230
Profit for the period	-93 725	1 605	-84 546	6 195	20 116
No. of shares (no dilution)	515 799 007	463 153 509	515 799 007	463 153 509	463 153 509
Average no. of shares before and after dilution	480 720 008	463 153 509	471 927 759	463 153 509	463 153 509
Profit per share (SEK)	-0.19	0.00	-0.18	0.01	0.04
Equity per share (SEK)	0.10	0.05	0.10	0.05	0.07

Condensed balance sheet (SEK 000s)	Jun 30 2006	Jun 30 2005	Dec 30 2005
Assets			
Intangible fixed assets	31 626	1 201	2 737
Tangible fixed assets	8 596	1 989	2 130
Financial fixed assets	23 576	1 812	1 411
Current receivables	22 125	15 531	32 325
Cash and bank	99 896	45 852	87 699
Total assets	185 819	66 385	126 302
Shareholders' equity and liabilities			
Shareholders' equity	51 165	21 529	35 399
Long-term liabilities	8 617	-312	0
Current liabilities	126 037	45 168	90 903
Total shareholders' equity and liabilities	185 819	66 385	126 302

Change in shareholders' equity (SEK 000s)	Jun 30 2006	Jun 30 2005	Dec 30 2005
Balance on opening date	35 399	15 075	15 075
Increase in equity (non-cash issue)	83 819		
Change in translation differences	-867	259	208
Revaluation reserve ¹	17 360		
Profit/loss for the period	-84 546	6 195	20 116
Balance on closing date	51 165	21 529	35 399

¹⁾ The revaluation reserve arose in conjunction with the acquisition of 23% of the shares in B2B Poker AB. As of February 1, 2006, B2B is consolidated as a subsidiary, instead of as a joint venture as previously.

Condensed cash flow statement (SEK 000s)	Apr-Jun 2006	Apr-Jun 2005	Jan-Jun 2006	Jan-Jun 2005	Full year 2005
Cash flow from operations before changes in working capital	13 210	1 409	20 309	7 615	28 561
Changes in working capital	-13 672	12 634	2 758	17 617	35 054
Cash flow from operations	-462	14 043	23 067	25 232	63 615
Cash flow from investing activities	-16 798	-3 802	-27 504	-5 046	-7 680
Cash flow from financing activities	3 560	0	-368	0	0
Cash flow for the period	-13 700	10 241	-4 805	20 186	55 935
Cash and cash equivalents on the opening date	87 185	32 300	78 290	22 355	22 355
Cash and cash equivalents on the closing date	73 485	42 541	73 485	42 541	78 290

Net revenues and profits by primary business segment (SEK 000s)	24hPoker			B2B Poker			Daydream ¹⁾		
	Jan-Jun 2006	Jan-Jun 2005	Full year 2005	Jan-Jun 2006	Jan-Jun 2005	Full year 2005	Jan-Jun 2006	Jan-Jun 2005	Full year 2005
Poker revenues	146 453	43 598	133 554						
Revenues from other gaming operations	5 998	674	5 026						
Royalty				22 554	10 780	30 127			
Other revenue							856	0	0
Total net revenues	152 451	44 272	138 580	22 554	10 780	30 127	856	0	0
Revenue growth	244.4%	370.0%	226.0%	109.2%	N/A	N/A	N/A		
Restructuring costs							-4 258	0	0
Goodwill impairment							-94 837	0	0
Operating profit (EBIT)	15 711	6 801	23 071	5 002	22	5424	-100 689	0	0
Operating margin	10.3%	15.4%	16.6%	22.2%	0.2%	18.0%	0.0%		

Net revenues and profits by primary business segment (SEK 000s)	Eliminations			Group		
	Jan-Jun 2006	Jan-Jun 2005	Full year 2005	Jan-Jun 2006	Jan-Jun 2005	Full year 2005
Poker revenues		0		146 453	43 598	133 554
Revenues from other gaming operations		0		5 998	674	5 026
Royalty	-9 280	-4 613	-14 777	13 274	6 167	15 350
Other revenue		0		856		
Total net revenues	-9 280	-4 613	-14 777	166 581	50 439	153 930
Revenue growth				230.3%	435.4%	430.1%
Restructuring costs		0		-4 258		
Goodwill impairment		0		-94 837		
Operating profit (EBIT)	-1 255	-22	-1 378	-81 231	6 801	27 117
Operating margin				0.0%	13.5%	17.6%

¹⁾ Figures attributable only to the month of June. Daydream is being discontinued.

Key data (SEK 000s)	Apr-Jun 2006	Apr-Jun 2005	Jan-Jun 2006	Jan-Jun 2005	Full year 2005
Net revenues	75 159	28 092	166 581	50 439	153 930
Revenue growth	167.6%	492.7%	230.3%	435.4%	430.1%
Gross margin	47.1%	64.0%	45.7%	69.1%	60.4%
Profit/loss for the period	-93 725	1 605	-84 546	6 195	20 116
Operating profit/loss	-94 179	924	-81 231	6 801	27 117
Operating margin	-125.3%	3.3%	-48.8%	13.5%	17.6%
Profit margin	-124.6%	0.8%	-48.4%	11.7%	17.1%
Return on capital employed	-152.1%	62.8%	-152.1%	62.8%	111.0%
Return on shareholders' equity	-178.6%	42.5%	-178.6%	42.5%	84.7%
Total assets	185 819	66 385	185 819	66 385	126 302
Working capital	39 540	18 799	39 540	18 799	23 755
Shareholders' equity	51 165	21 529	51 165	21 529	35 399
Equity/assets ratio	27.5%	32.4%	27.5%	32.4%	28.0%
Cash and cash equivalents	73 485	42 541	73 485	42 541	78 290
Investments	102 890	2 021	133 645	3 034	5 233
No. of employees on closing date	113.5	45.7	113.5	45.7	62.8
Avg. no. of employees	98.5	44.5	87.6	41.2	49.7
Net revenues per employee	763	631	1 902	1 224	3 097
Operating profit per employee	-956	21	-927	165	546

Definitions of key data

Active player

Each unique player in poker or other gaming operation that during the period (the most recent 90 days) bet money or participated in a competition where a stake in the form of money or bonus points was required.

Return on shareholders' equity

Net profit for the most recent 12 months divided by average shareholders' equity calculated using the opening and closing balances from the most recent four quarters.

Return on capital employed

Profit after financial items plus financial expenses (excluding exchange-rate differences) for the most recent 12 months divided by average capital employed calculated using the opening and closing balances from the most recent four quarters.

Gross margin

Profit after direct costs for gaming operations in relation to net revenues.

Direct costs for gaming operations

Costs for gaming operations directly attributable to the corresponding revenues.

Equity per share

Shareholders' equity in relation to the number of shares on the closing date.

Average number of shares

Average number of shares during the period, adjusted for splits, bonus issues or dilution.

Cash and cash equivalents

Cash and bank balances excluding blocked funds.

Net revenues per employee

Net revenues in relation to the average number of employees.

Registered players

Players who are registered in the system.

Profit per share

Profit after tax in relation to the average number of shares.

Operating margin

Operating profit in relation to net revenues.

Operating profit per employee

Operating profit in relation to the average number of employees.

Gaming surplus

The gaming surplus for Poker and Casino is the same as net revenues. For Sports Betting, the gaming surplus is net revenues reduced by wins paid.

Equity/assets ratio

Shareholders' equity including minority interests in relation to total assets.

Capital employed

Total assets reduced by non-interest bearing liabilities and provisions, including deferred tax liabilities.

Profit margin

Profit after net financial items in relation to net revenues.

NOTE 1 Reversed acquisition of subsidiary (SEK 000s)

On June 5, the exchange-listed company Daydream Software AB acquired a majority shareholding in 24h Poker AB. Following the acquisition, a purchase estimate was prepared for the Group as if 24h Poker had acquired Daydream Software AB.

The table below provides information on net assets and goodwill in Daydream Software AB.

Purchase price

Share issue according to reverse acquisition	83 180 ¹⁾
Acquisition costs	13 500
Total purchase price	96 680

Fair value of acquired net assets	-1 714
Goodwill²⁾	98 394

¹⁾ The acquisition price for the reverse acquisition corresponded to the market value of Daydream Software AB on June 5, 2006, meaning 52,645,488 shares multiplied by the share price of SEK 1.58 resulting in a share issue of SEK 83,179,887.

²⁾ In June, an impairment of goodwill was recognized in an amount of SEK 94,837,000 and the acquisition balance was adjusted by SEK 3,557,000. After this adjustment, debt for the remaining shares amounted to SEK 12,316,000. The adjustment corresponded to the value of 24,741 shares in 24h Poker AB that on August 22, 2006 were converted to 2,251,431 shares in 24h Poker Holding AB.

The value of goodwill at June 30, 2006 was tested as reported below, and values were adjusted to fair values.

The acquisition included the following assets and liabilities:

	Acquired book value	Fair value
Tangible fixed assets	647	0
Intangible fixed assets	52 565	0
Deferred tax assets	0	15 419
Receivables	10 219	3 936
Capitalized consulting costs for the acquisition of 24hPoker	8 639	0
Cash and cash equivalents	5 976	5 976
Debt	-11 234	-16 645
		(-12 316 KSEK as at
Debt in outstanding shares at June 30, 2005	0	-15 873 Aug 22 2006)
Deferred tax		5 473
Net assets	66 812	-1 714